

**UNIVERSITY OF GHANA**

**EXPLORING THE EMERGENCE OF POCKETS OF PRODUCTIVE  
STATE-OWNED ENTERPRISES IN DEVELOPING COUNTRIES: A  
COMPARATIVE STUDY OF TWO STATE-OWNED MEDIA  
ENTERPRISES IN GHANA**

**BY**

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**THIS THESIS IS SUBMITTED TO THE UNIVERSITY OF GHANA,  
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## DECLARATION

I do hereby declare that, this work is the result of my own research and has not been presented by anyone for any academic award in this or any other university. All references used in the work have been duly acknowledged.

I, therefore, bear sole responsibility for any shortcoming.

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**CERTIFICATION**

I hereby certify that this thesis was supervised in accordance with the procedures laid down by the University of Ghana.

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## **DEDICATION**

This work is dedicated to my parents, Mr. Amarin Koto and Mrs. Faustine Koto for their immense supports and prayers.

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## LIST OF ABBREVIATIONS

<b>PoP</b>	-	Pockets of Productivity
<b>PoE</b>	-	Pockets of Effectiveness
<b>GCGL</b>	-	Graphic Communications Group Limited
<b>NTC</b>	-	New Times Corporation
<b>NMC</b>	-	National Media Commission
<b>SOEs</b>	-	State-Owned Enterprises
<b>SEC</b>	-	State Enterprises Commission
<b>GBC</b>	-	Ghana Broadcasting Corporation
<b>GPuC</b>	-	Ghana Publishing Company
<b>GPCL</b>	-	Ghana Post Company Limited
<b>LTD</b>	-	Limited
<b>IMF</b>	-	International Monetary Fund

## ABSTRACT

Many scholars have found that, in the midst of ineffective and unproductive states in developing countries, there exists exceptionally well-performing public organizations that deliver their mandates effectively and productively. There is renewed research to understand why and how these pockets of effective and productive public organizations managed to emerge and persist in a context where failure of public organizations is the norm. The study explored the factors that have accounted for the emergence of Graphic Communications Group Limited (GCGL) as a pocket of productive state-owned enterprise in comparison to another state-owned media enterprise called New Times Corporation (NTC). NTC has struggled to make profit although it was converted into a limited liability company on the same date as GCGL in 1998. The research used opinion survey data collected from employees of NTC and GCGL, interviews with officials both organizations, and interviews with newspaper vendors as the primary data for answering the question of why and how GCGL emerged as a pocket of profitable enterprise. The study found that GCGL and NTC have had the same focused legal powers since the 1970s and they operate in the same free market economy. Consequently, these two public policy factors could not have accounted for the emergence of GCGL as a pocket of productivity at the expense of NTC. The factors that accounted for the emergence of GCGL as a pocket of productivity were performance-oriented management system and organizational proactivity pursued by the leaders of GCGL. The study recommend that reforms to improve the productivity of state-owned enterprises should move beyond enactment of formal-legal policies to focus on building performance-oriented management culture as well as promote organizational proactivity in the market.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background of Study

Many state-owned enterprises in developing countries continue to struggle to emerge as productive and profitable public organizations in spite of numerous reforms sponsored by the World Bank and International Monetary Fund (Nellis 2005; Asamoah, Osei-Kojo and Yeboah-Asiamah 2013). Public sector reforms in developing countries have usually produced disappointing results for citizens and donors. Amidst the sea of ineffective and unproductive states in developing countries, some scholars have found that there exist exceptionally well-performing public organizations that deliver their mandates effectively. These exceptional public organizations have been referred to as “pockets of productivity” (Daland 1981; Leonard 1991, 2008), “pockets of efficiency” (Evans 1989; Geddes 1990), “island of excellence” (Therkildsen 2009), “islands of effectiveness” (Crook 2010), “pockets of bureaucratic excellence” (Golooba-Mutebi and Hickey 2014), “pocket of effectiveness” (Leonard 2010; Roll 2011, 2014; Ayee 2018), and “pocket of bureaucratic effectiveness” (McDonnell 2017). In spite of the scholarly uncertainties surrounding how to label exceptional well-performing public organizations, there is consensus among scholars that such exceptional public organizations should be studied to understand why and how they emerged to offer an appropriate model for public sector reforms (Ayee 2018).

Roll (2011) emphasizes that what needs scholarly explanation about public sector performance in developing countries is not the absence of effective public organizations but the existence of pockets of effective and productive public organizations. Research emphasis should not be on why states in developing countries are not working effectively, but rather the emphasis should be on a more ‘unorthodox’ and ‘constructive’ view of ‘what’ are working within the generally ineffective states, ‘how’ and ‘why’ they are working (Leonard 2008; Roll 2014). There is now a renewed sense of urgency among many scholars to identify and explain the factors that accounts for the emergence and persistence of exceptional well-performing public organizations in developing countries (Roll 2014).

Recent research on the pockets of effective and productive organizations has provided inconsistent explanations of the factors that drive the emergence of such exceptional public organizations (Roll 2014). Grindle (1997) argued that public organizations that performed better in developing countries are underpinned by “positive organizational cultures” of management style, personnel management, and employee performance expectations that were facilitated by organizational ‘autonomy’. Joshi and Ayee (2009: 289) argued that “strong performance is the result of not ‘autonomy’, but other more nuts and bolts reforms.” Lynn and Robichau (2013: 202) also argued that “the most systematically influential factors remain the structures created by public policy processes and the administrative management they require and authorize.” Some scholar have advocated for using an analytical framework that focuses on identifying specific factors of public policy, ‘organizational culture’, and ‘organizational proactivity’ that underpin the emergence and persistence of exceptionally performing public organizations in developing countries (Roll 2014).

Pockets of well-performing public sector organizations certainly exist in developing states; but there is not enough empirical knowledge about the factors that have driven the emergence and persistence of such pockets of well performing organizations. It is against this background that this study seeks to investigate the factors underpinning the emergence of a pocket of productive state-owned enterprise in Ghana called Graphic Communications Group Limited (GCGL) from among the state-owned print media enterprises. The study compares the success of GCGL with another state-owned print media enterprise called New Times Corporation (NTC). Such a comparative research approach pursued by other scholars with similar research interests (Grindle 1997; Owusu 2006; Hertog 2010) offers the best chance for discovering the factors that differentiate exceptionally well-performing public organizations from poor performing ones within the same sector or task area.

## **1.2 Research Problem**

From the 1980s, Ghana implemented World Bank and IMF sponsored structural adjustment reform programme to create economic stability (World Bank 1995a, 1995b, 1997, 2003). The reform focused on the privatization of poorly performing state enterprises including “the conversion of statutory corporations to limited liability companies registered under the Companies Code” (World Bank 2003: 11). In facilitating the privatization programme, “The Statutory Corporations (Conversion to Companies) Act, 1993 [Act 461], was an enabling statute for the conversion of 27 commercial, statutory corporations and 5 state-owned banks to public companies henceforth subject to the Companies Code, 1963” (World Bank 2003: 11). Graphic Corporation and New Times Corporation were among nineteen statutory corporations that were converted to limited liability companies on 16 December 1998

through the Statutory Corporations (Conversion to Companies) (Schedule Amendment) Instrument, 1998 (L.I. 1648). The organizational managers at Graphic Corporations embraced the reforms by changing the name of the organization to Graphic Communications Group Limited (GCGL) in the effort to rebrand the organization. GCGL issued a public statement on Monday 17 January, 2000, “in reaction to the disapproval of the Minority Group in Parliament of the new status of the defunct Graphic Corporation”, to assured the opposition party and other stakeholders that the new company “will fair access to all political parties in spite of its new status as a limited liability company.”<sup>1</sup> After the conversion from a corporation to a limited liability company, the Board of Directors and Management of Graphic Communications Group Limited remained unchanged while the sole shareholder of the company remained the Government of Ghana. New Times Corporation (NTC) on the other hand kept its old name and continued with its leadership.

Two decades after the conversion of GCGL and NTC into limited liability companies, GCGL has emerged from among the state-owned media industry as the most profitable and productive state-owned print media enterprise. GCGL has emerged as a pocket of productivity. Within the communication sector, GCGL has made bigger profits and paid huge dividends to government on many occasions while other state-owned media enterprises (including NTC and Ghana Broadcasting Corporation) have struggled to be profitable let alone pay dividend to government. The contrasting situations of the well-performing GCGL

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<sup>1</sup> Ghanaweb, “Graphic replies opposition parties,” 18 January, 2000.  
<https://www.ghanaweb.com/GhanaHomePage/NewsArchive/Graphic-replies-opposition-parties-9367?channel=D1> (Accessed 3 July, 2019)

and the poor performing state-owned media enterprises are shown below in Table 1.1 and 1.2.

**Table 1. 1: Communications Sector SoEs Dividends Payment (2012-2017)**

<i>State-owned enterprises in the Communications Sector</i>	Dividend Paid Per Year (GH¢)					
	2012	2013	2014	2015	2016	2017
Ghana Post Company Limited (GPCL)	0	0	0	0	0	0
Ghana Publishing Corporation (GPuC)	0	0	0	0	0	0
New Times Corporation (NTC)	0	0	0	0	0	0
Graphic Communication Group Limited (GCGL)	500,000	200,000	385,000	425,000	0	0

**Source:** Ministry of Finance (2017)

**Table 1. 2: Aggregate Income Statement Financials for the SOEs (2015-2017)**

Income Statement (all amount in millions)												
	Sales/Revenue			Operating Cost			Gross Profit			Net Profit		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
GCGL	54	61	58	32	32	32	22	29	26	1	3	6
NTC	12	13	13	7	7	7	6	6	5	1	1	1
GBC	57	66	65	61	74	71	-4	-9	-6	-4	-9	-6
GPCL	47	49	56	33	32	40	14	17	15	0	2	5
GPuC	12	9	7	7	5	3	5	4	4	2	1	1
<b>Total</b>	<b>182</b>	<b>198</b>	<b>199</b>	<b>139</b>	<b>150</b>	<b>154</b>	<b>43</b>	<b>48</b>	<b>44</b>	<b>1</b>	<b>-2</b>	<b>7</b>

**Source:** Ministry of Finance (2017)

Table 1.1 shows clearly GCGL is the most productive in terms of dividend payment. Also Table 1.2 shows clearly that among the state-owned print media companies GCGL is the most productive since the enterprise has generated considerable higher revenues and profits compared to the rest. But the question is, what are the factors that have accounted for the emergence of GCGL as a pocket of productivity? No research has been conducted to answer this question. GCGL also controls more than half of newspaper circulation coverage within

Ghana. Private print media organizations like ‘Western Publication Limited’ and ‘The Business and Financial Times’ are no match for GCGL as Table 3 below shows.

**Table 1. 3: Print Media National Audience Concentration in Ghana**

Media Outlets	Percentage	Total Percentage
Graphic Communication Group Limited	57.6%	State-owned media 72.1%
New Times Corporation	14.5%	
Western Publication Limited	18.9%	Private media 23.8%
The Business And Financial Times	4.9%	
Other print media outlets	4.1%	4.1%

**Source:** National Commission on Civil Education (NCCE) (2015)

There is little doubt that GCGL has risen to become a pocket of effective and profitable state-owned enterprise within the communication sector. A former editor of the GCGL narrated to the public that the success story of GCGL has not always been so: “Today many see the Graphic Communications Group Limited as a viable, strong and solidly liquid growing concern. What some do not know, including majority of the staff is that about a quarter of a century ago, the company was declared non-performing and placed under the Non-Performing Assets Recovery Trust (NPART). In 1993 the Graphic Corporation was enmeshed in what appeared to have been the greatest fraud in the history of the country.”<sup>2</sup> How was GCGL salvaged from a non-performing company to a pocket of productive SoE? The equally important question is why has the NTC that was also transformed into a limited liability company not become very productive compared to GCGL? This is the problem that influenced the research. The research sought to discover the factors that have led to the

<sup>2</sup> Yaw Boadu Ayebofo, “Countdown begins... How we salvaged Graphic,” 14 June 2018. <https://www.graphic.com.gh/features/thinking-aloud/how-we-salvaged-graphic.html>

emergence of GCGL as a pocket of productivity in comparison to the NTC. The specific research objectives and questions are enumerated below.

### **1.3 Research Objectives**

The objective of this exploratory research is three-fold:

- i. To identify the factors that accounts for the emergence and persistence of pockets of productive public organizations in developing countries
- ii. To explore how the Graphic Communications Group Limited has emerged within the state-owned media sector in Ghana as a pocket of productive public organization in comparison to the New Times Corporation.
- iii. To recommend necessary measures that can be pursued to facilitate the transformation of New Times Corporation into a more productive SoE.

### **1.4 Research Questions**

1. What are the factors that accounts for the emergence and persistence of pockets of productive public organizations in developing countries?
2. How has the Graphic Communications Group Limited emerged within the state-owned media sector in Ghana as a pocket of productive public organization in comparison to the New Times Corporation?

3. What are the necessary measures that can be pursued to facilitate the transformation of New Times Corporation into a more productive state-owned enterprise?

### **1.5 Significance of the Study**

This study will contribute to the efforts by scholars with interest in public sector performance (Grindle 1997; Leonard 2008; Joshi and Ayee 2009; Roll 2014) to discover the factors that propel some public sector organizations to become ‘pockets of effectiveness’ or ‘pockets of productivity’. It will contribute to building a strong theory of public sector performance which has been missing in public administration (Lynn and Robichau 2013). In terms of policy, the findings of the study could be used to transform poorly performing state-owned media enterprises like the NTC, performing similar tasks, to become more profitable. Finally, the study will contribute to the public administration literature that seeks to enhance understanding of public sector performance in developing countries, particularly in Africa.

### **1.6 Organization of the Study**

This study is organized into five chapters. Chapter one has introduced the research background and highlighted the study objectives and questions, and the significance of the research. Chapter two presents the conceptual and analytical framework used for the empirical analysis of the data. Chapter three highlights the research methodology used to collect, interpret and present the data. Chapter four presents and discusses the findings. Chapter five summarizes the key findings, contributions of the study, recommendations for research and policy, and concludes the study.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews existing relevant literature on the pockets of effective organizations. It includes theoretical review and empirical review of literature. The theoretical review of literature highlights the various theoretical frameworks that underpin the study and the framework adopted in the research. The empirical review of literature is organized along the broad exploratory factors for the emergence of PoP in developing countries.

#### **2.1 Definition of Concepts**

For the purpose of ensuring conceptual clarity in the theoretical and empirical analysis, this section focuses on defining the meaning of three key concepts used in the study, namely, public organization, pocket of productivity, and state-owned enterprise.

##### **2.1.1 Public Organizations: ‘Pocket of Effectiveness’ versus ‘Pocket of Productivity’**

Given the broad nature of what is often termed as ‘public organization’, it is paramount to understand the meaning of the term for the purposes of this research. For the purpose of this study, the following definition of public organization given by Roll (2014: 24) is used: “Public organizations are state-owned organizations which have the mandate to provide public goods and services. This includes regulatory functions and natural resource management. Our understanding of ‘public organizations’ comprise both administrative government agencies and state-owned enterprises.” The concept of ‘public sector’ is also

used in this study in reference to the organizational arena of the state within which all public organizations emerge, exist and persist (Appiah & Abdulai 2017; Basu 2005).

Differences in the nature of the ‘task area’ (Roll 2014: 17) between ‘administrative government agencies’ and ‘state-owned enterprises’ matter for organizational performance. The factors that accounts for the emergence and persistence of “these two ideal types of public organizations have to be established empirically and cannot be simply assumed” (Roll 2014: 24). Table 2 below shows some differences in the ‘task area’ of some exceptionally well-performing public organizations generically referred to as ‘pockets of effectiveness’.

**Table 2. 1: Overview of Pockets of Effectiveness covered in Roll (2014)**

<i>Organization (country)</i>	<i>Task area</i>	<i>Authors</i>
Sino-Foreign Salt Inspectorate (Republic of China)	Finance	Strauss (2014)
Joint Commission on Rural Reconstruction (Republic of China/Taiwan)	Service delivery	Strauss (2014)
National Bank for Reconstruction and Development (Brazil)	Finance	Willis (2014)
National Agency for Food and Drug Administration and Control (Nigeria)	Regulation	Pogoson and Roll (2014)
National Agency for the Prohibition of Traffic in Persons etc. (Nigeria)	Regulation	Simbine, Attoh and Oladeji (2014)
State Oil Company of Suriname (Suriname)	Profit	Hout (2014)
Several state-owned enterprises in Gulf Cooperation Council member states	Profit	Hertog (2014)

**Source:** Roll (2014: 17)

Differences in ‘profit-oriented task area’ and ‘regulation-oriented task area’ of public organizations require different value-orientations of employees in these task areas to achieve organizational goals. Further, it should simply not be assumed that the necessary factors that accounts for the emergence and persistence of well-performing public organizations in the

profit-oriented task area (Hertog 2014; Hout 2014) are the same necessary factors that accounts for the emergence and persistence of well-performing public organizations in the ‘regulation’ task area (Pogonson and Roll 2014). For instance, while Hout (2014) found that technological development was a necessary factor for the emergence of the State Oil Company of Suriname (Staatsolie) as a PoE, Pogonson and Roll (2014) argue that technology was a non-necessary factor for the emergence of the National Agency for Food and Drug Administration and Control (NAFDAC) in Nigeria as a PoE.

Regardless of the task area of public organizations, Leonard (2010), Roll (2011, 2014), and Ayee (2015) use the term ‘pocket of effectiveness’ to refer to well-performing “public organizations that are relatively effective in providing the public goods and services the organization is officially mandated to provide, despite operating in an environment in which effective public service delivery is not the norm” (Roll 2014: 24). Daland (1981) and Leonard (1991, 2008) also uses the concept ‘pockets of productivity’ to refer to the same relatively well-performing public organizations regardless of the task area. Strauss (2014: 44) rightly remarks that “any discussion about pockets of effectiveness must ask at the outset: are we primarily concerned with efficiency, which lends itself to at least relatively transparent criteria of measurement, or productivity, which encompasses elements of efficiency and effectiveness?” There is the need for conceptual and analytical clarity in order to unambiguously identify the factors that influence the emergence and persistence of exceptionally well-performing public organizations.

In this study, the term ‘pockets of effectiveness’ does not refer to “exceptionally well-performing organizations” across both profit-oriented and non-profit-oriented types of public organizations. Instead, the term ‘Pocket of Effectiveness’ (PoE) is used in this study to refer to an exceptionally well-performing non-profit-oriented public organization, including administrative government agencies (performing tasks in areas such as service delivery and regulation), operating within a context where many public organizations within the task area are unable to deliver their mandated public services. This study uses the term ‘Pocket of Productivity’ (PoP) to refer to exceptionally well-performing profit-oriented public organizations, including state-owned enterprises, operating within a context where many public organizations within the task area are unable to produce more concrete goods for citizens and/or make higher profits in the open market from the sale of their goods.

The focus of this study is on exploring the emergence of the Graphic Communications Group Limited (GCGL) as a Pocket of Productivity (PoP) relative to the performance of New Times Corporation (NTC) within the same task area of profit-oriented state-owned enterprises. The two organizations were converted from *corporations* to profit-oriented *companies* in 1998 through the same Legislative Instrument passed by the Parliament of Ghana. This study shall argue that differences in the value-orientations of the leaders and employees of GCGL and NTC is the causal factor for the emergence and persistence of GCGL as a PoP. While the value-orientation of GCGL has been more open market profit-oriented, the value-orientation of NTC leaders and employees has been more of financial-aid-dependence on government.

Many organizational experts agree that organizational productivity is the core focus of state-owned enterprises, but there is notable lack of consensus on what specifically the concept of productivity means (Asamoah et al. 2013). This is as a result of the multifaceted nature of the construct (Pandey, Coursey, and Moynihan, 2007). Asamoah et al. (2013) argued that productivity is explained by investigating the ratio of inputs that is used in producing goods and services and the output made or gained. This definition is similar to the “concept of efficiency as a ratio of input into outcomes...and it assuredly does presuppose impersonality” (Strauss 2014: 43). Strauss (2014: 44) argues that “the term productive bridges both notions of effectiveness and efficiency;” and, “referred to bringing some about, the creation of concrete goods or ideas, and, from the time of Adam Smith onward, that which creates economic or commercial value.” Productivity assuredly does presuppose technology.

For the purpose of this study, due to the complex nature of diverse tangible and intangible inputs made by the state into production of goods by public organizations, this study defines PoP in terms of both (i) the concrete or measurable organizational outputs, and (ii) the economic value (profit from open market transactions) of the organizational outputs (Steers, 1976). GCGL is conceived as a PoP in terms of its consistent ability to capture a higher percentage of the print media customers, and, generate higher levels of financial profits than other state-owned media enterprises in Ghana (MoF 2017). Why and how the GCGL has emerged as a PoP in the print media industry is the focus of the study.

### **2.1.2 State-Owned Enterprise**

State-owned Enterprises (SoEs) are generally understood in the literature to mean public organizations owned by the state mandated to generate revenues for government through sale of their goods and services (Nellis 1986; Nhema 2015). Basu (2005: 3) argued that SOE entails “any commercial, financial, industrial, agricultural or promotional undertaking owned by public authority, either wholly or through majority shareholding which is engaged in the sale of goods and services and whose affairs are capable of being recorded in balance sheets and profit and loss accounts.” This definition is appropriate for the study.

State-owned enterprises are established to correct market failures and provide public goods. They are also established to relinquish the “commanding heights” of the economy (Nhema 2015: 249) to promote industrialization, enhance job creation, to protect national interest and to reduce regional disparities. However, SOEs in developing countries have turned out to be usually unproductive enterprises due to problems of political patronage, clientelism and economic populism (Hertog 2014). Through World Bank and IMF sponsored structural adjustment programmes, many SoEs in developing countries have either been sold to the private sector or converted to limited liability companies to enhance productivity.

## **2.2 State-Owned Enterprises Development and Performance in Ghana**

Historically, the evolution of State-Owned Enterprises (SOEs) in Ghana can be traced to the colonial era. The colonial government set up public utilities such as electricity, water and postal services in order to provide some socio-economic services mostly in the urban centres (Appiah-Kubi 2001). These public enterprises are often times referred to as “natural

monopolies” in their provision of goods and services (Nellis and Shirley 1992). The West African Produce Marketing Boards and the Industrial Development Corporation (IDC) were established in 1939 and 1947 respectively to undertake commercial activities. There was rapid expansion in the number of SOEs under Kwame Nkrumah government in 1950. This was in attempt to gain control over the “commanding heights” of the country’s economy from the private sector which was constituted mostly by expatriate businessmen.

The Cocoa Purchasing Company (CPC) was set up in 1952 followed by Agricultural Development Corporation, Ghana Commercial Bank and Bank of Ghana. The government subsequently increased the state sector by setting up a number of commercial ventures ranging from banking and insurance to manufacturing activities which constituted publishing, brick and tiles, bakeries, pharmaceuticals, air transport, laundries, fishing, mining and building construction. After independence from British colonial rule, the number of SoEs in Ghana increased from four (4) in 1957 to fifty-three (53) by 1966 (Appiah-Kubi 2001).

However, many of the state enterprises suffered from external political interferences and influences in their management. Staffs of SoEs were appointed irrespective of their merit, redundant staffs were kept on payroll, contracts awarded SoEs were completed at high inflated prices, and loans were secured for SoEs regardless of the conditions and terms (Appiah-Kubi 2001). Many SoEs therefore operated as unproductive enterprises that served political purposes of succeeding governments.

The development of State-Owned Enterprises under succeeding governments after Kwame Nkrumah regime witnessed varying degrees of emphasis. Under the National Liberation Council (NLC) regime, SOEs witnessed a significant reduction despite being considered the “engine of growth”. Under K.A. Busia regime, aside setting up few public enterprises such as the Cotton and Grains Development Boards, Bast Fibres and the Export Promotion Company, not much was done. Nonetheless, the National Redemption Council regime led by Colonel I.K. Acheampong sought to revive SoEs to champion the government’s economic ‘self-reliance’ and ‘operation feed yourself’ programmes to “capture the commanding heights” of Ghana’s economy. New SOEs including the Ghana National Procurement Agency and the Meat Marketing Board were set up. The state became a majority shareholder with at least fifty-five (55) percent of equity capital in many multinational companies in Ghana such as the Ashanti Goldfields Corporation (AGC), Awaso Bauxite Company, CAST Diamond Corporation, Standard Chartered Bank, and Barclays Bank, Pioneer Tobacco Company, Ghana Textile Manufacturing Company (Appiah-Kubi 2001). The Armed Forces Revolutionary Council (AFRC) military government which followed also confiscated a number of private companies such as Ghana General Establishment, Kool Bottling Company, TransAfrica Engineering and Motors and a host of others (Appiah-Kubi 2001).

SoEs dominated Ghana’s economy by 1981 when the Provisional National Defence Council (PNDC) military government assumed power. The SoEs were predominant in the modern formal sector such as communications, business and financial services, energy, mining, utilities, construction and transportation. The 1984 census conducted in Ghana revealed that the public enterprise employed more than 240,000 workers out of the total working

population. For instance, Cocoa Board and its subsidiaries employed about 60,000 workers. The SOEs increased their employment by more than tenfold; from 11,052 to 115,826 between 1957 and 1966. By the mid 1980s many of the SoEs were unproductive and became the focus of World Bank and IMF structural adjustment programmes. It was identified that the poor performance of SoEs was due to factors such as inappropriate pricing policies, overstaffing, lack of managerial skills, and under capitalization (Adda 1996).

Government of Ghana launched State-Owned Enterprise (SOE) reform program in 1988 as part of Ghana's World Bank/IMF sponsored Economic Recovery Program (ERP) with about 350 SoEs existing at the time (World Bank 2005). The State-Owned Enterprise Reform Program (SoERP) was aimed at reducing the demands of SoEs for government financial resources. The reform also focused on promoting Public-Private Participation (PPP) among SOEs in order to improve service delivery and to improve the business environment at large. The Divestiture Implementation Committee (DIC) was established to partner the State Enterprise Commission in spearheading the divestment of government interests in SoEs and public corporations. In 1998, the Graphic Corporation and New Times Corporation were converted to companies. Graphic Corporations changed its name to Graphic Communications Group Limited to rebrand itself for the challenge of making profit in the open market.

The 2017 State Ownership report published by the Ministry of Finance revealed that SOEs made a total gross profit of GH¢4,891 million in 2017 as compared to GH¢3,069 million in 2016. This represents GH¢1,822 million increment of total gross profit made. Many SOEs however continued to make net loses. The net loss made by SoEs in 2017 was GH¢1,289

million. This is compared to the net losses in 2015 and 2016 which stood at GH¢30,144 million and GH¢2,115 million respectively (MoF 2017). But not every SoE made a net loss as Table 2 below shows in the communication sector. It seems therefore that the SoEs reforms pursued in the 1990S is beginning to yield some positive results.

**Table 2. 2: Aggregate Income Statement Financials for SOEs (2015-2017)**

Income Statement (all amount in millions)												
	Sales/Revenue			Operating Cost			Gross Profit			Net Profit		
	2015	2016	2017	2015	2016	2017	2015	2016	2017	2015	2016	2017
State-owned Enterprises in the Communications Sector												
GCGL	54	61	58	32	32	32	22	29	26	1	3	6
NTC	12	13	13	7	7	7	6	6	5	1	1	1
GBC	57	66	65	61	74	71	-4	-9	-6	-4	-9	-6
GPCL	47	49	56	33	32	40	14	17	15	0	2	5
GPuC	12	9	7	7	5	3	5	4	4	2	1	1
Total	<b>182</b>	<b>198</b>	<b>199</b>	<b>139</b>	<b>150</b>	<b>154</b>	<b>43</b>	<b>48</b>	<b>44</b>	<b>1</b>	<b>-2</b>	<b>7</b>

**Source:** Ministry of Finance (2017)

Table 2.2 shows clearly that among the SOEs in the communication sector, Graphic Communication Group Limited is the most productive since the enterprise has generated considerable higher revenue and profit over time as compared to media enterprises such as New Times Corporation (NTC) and Ghana Broadcasting Corporation (GBC). Understanding the relative performances of productive and unproductive SoEs performing similar tasks require research. The factors that accounts for the emergence and persistence of the GCGL as a PoP within the state-owned media sector shall later be examined.

### **2.3 Analytical Framework: Towards a theory of public organizational performance**

Public organizations are state-owned organizations created to deliver mandates ranging from the delivery of non-profit public goods and services to the commercialization of private

goods and services in the open market for profit. There is some consensus among scholars that even within failed, corrupt or poorly performing developing countries, there exist some exceptionally well-performing public organizations that have defied the norm (Roll 2011, 2014; Ayee 2015; McDonnell 2017). Different scholars have used different terminologies to describe exceptionally well-performing public organizations that have managed to distinguish themselves amidst widespread failures of most public organizations. Evans (1989) and Geddes (1990) used the term “pockets of efficiency,” Therkildsen (2009) used “island of excellence,” Crook (2010) preferred “islands of effectiveness,” Golooba-Mutebi and Hickey (2014) used “pockets of bureaucratic excellence,” Leonard (2010) and Roll (2011, 2014) used “pocket of effectiveness,” and McDonnell (2017) used “pocket of bureaucratic effectiveness” to refer to these well-performing public organizations. The important question for theory building and empirical explanation is why and how do exceptionally well-performing public organizations emerge and persist in generally neo-patrimonial environments where many public organizations (sometimes within the same sector or performing similar tasks) are unable to deliver their mandates?

It is important to understand the meaning of theory before an acceptable discussion of theorization can be done (Whetten 1989; Weick 1995). A full-fledged theory, according to Whetten (1989: 490) must comprise three important elements: “what”, “how”, and “why”. The “what” element contains the factors, variables, constructs and concepts that describe the social or individual phenomenon of interest. Comprehensiveness and parsimony is essential to describing variables, constructs and concepts underpinning a particular theory. The “how” explains the set of relationship existing between the variables, constructs and concepts. The

“why” identifies and explains the dynamics (psychological, economic, or social) that validate the selection of factors as well as the proposed causal set of relationship among variables for a theory (Whetten, 1989: 490-491). A good theory must contain these three elements.

There is not yet a broadly accepted theory with clear concepts, constructs and variables that accounts for ‘what’ factors influence the emergence of exceptionally well-performing public organizations (that is, PoEs/PoPs), ‘how’ the factors are related in shaping the emergence of PoEs/PoPs, and, ‘why’ PoEs/PoPs emerge, persist and change in specific contexts (Lynn and Robichau 2013; Roll 2014). Weick (1995) echoed that elements of theorizing process rarely emerge as full-fledged theory. Most of the elements for theorizing in organizational studies comprises of approximations. The approximations take four forms: first, the definition of concepts whereby concepts are specified, clarified, or defined but not interrelated. Secondly, the general explanatory orientations whereby broad analytical frameworks specify the types of variables that should be taken into consideration without any specifications of relationship among the variables. Thirdly, post-factum interpretation whereby ad-hoc hypotheses are derived from a single observation without an effort to explore alternative explanations or new observations. Finally, empirical generalization whereby an isolated proposition summarizes the relationship between two variables, but further interrelations are not attempted.

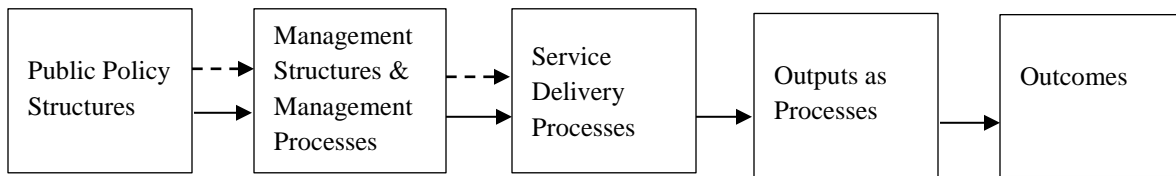
Two main categories of scholarly explanations have been offered for the emergence and persistence of exceptionally well-performing public organizations in a developing country context where many public organizations are ineffective and unproductive. The first category of explanation is broadly labelled ‘public policy explanations’ (Lynn and Robichau 2013;

Joshi and Ayee 2009) that focus on the institutional structures created by public policies and reforms as the causal factor behind the emergence of PoEs/PoPs. The second broad explanatory category is labelled ‘organizational management culture explanations’ (or simply management explanations) (Grindle 1997). The public policy explanation is presented first.

Among many competing definitions of public policy (Jenkins 1978; Dye 1998; Anderson 2011), the definition offered by Jenkins (1978) appears best suited to describe the public policy category of explanation. Jenkins (1978) defines public policy as “a set of interrelated decisions taken by a political actor or group of actors concerning the selection of goals and the means of achieving them within a specified situation where those decisions should, in principle be within the power of those actors to achieve.” The political actor or group of actors is understood to mean government. More importantly, the definition given by Jenkins suggests that when a government makes a public policy to deal with a problem in society or creates a public organization, “that public policy is usually ‘a set of interrelated decisions’ (Howlett and Ramesh 2003: 6) rather than a single decision.

Lynn and Robichau (2013:202) argued that public policy and management interact to affect government outputs and outcomes; but, “the most systematically influential factors remain the structures created by public policy processes and the administrative management they require and authorize”. To Lynn and Robichau (2013:221), the structures created by public policy concerning public organizations is what create “direct causal relationships” for public sector performance outputs and outcomes as depicted in Figure 1 below.

Figure 1: Lynn and Robichau’s ‘Theory of Public Sector Performance’



Note: The “Dotted lines represent potential modelling patterns that skip levels in the logic of governance but still reflect plausible theoretical causal relationships” (Lynn and Robichau 2013: 222, *Note* is from source).

**Source:** Lynn and Robichau (2013: 222)

Public policy is therefore hypothesized as the causal factor explaining why PoEs emerge. Similarly, in the collection of scholarly works edited by Roll (2014), the scholars make the following public policy explanatory argument: “We argue that it is *the political or personal interest of the head of state in the effective execution of a particular task that allows the public organization that is mandated with executing this task to emerge as a PoE*” (Roll 2014: 195, italics from source). In other words, scholars points to public policy pursued by the president who “*breaks with the usual public sector appointment practice based on patronage rationale and appoints a person with weak ties to the political elite network and administrative experience as the chief executive of a public organization* (Roll 2014: 198, italics from source). For instance, Pogoson and Roll (2014: 111) argued that the emergence of the National Agency for Food and Drug Administration and Control (NAFDAC) in Nigeria as a PoE is because the President “had a strong interest that this particular organization performs its mandate effectively.” Pogoson and Roll (2014: 122-3) emphasize, “In our model for how PoE emerge, everything starts with ‘political interest’”. The managerial actions pursued by the chief executive of NAFDAC are viewed as ‘necessary factors’ but not ‘causal factors’ driving the emergence of NAFDAC as a PoE.

Organizational management factors, in contrast to public policy actions of government, have been put forward by some scholars to explain the emergence well-performing public organizations in developing countries (Grindle 1997), as well as pockets of productive state-owned enterprises within the members states of the Gulf Cooperation Council (Hertog 2010, 2014). For instance, Hertog (2014:174) offers the following question and explanation: “When can resource riches be turned into efficient state-controlled enterprises that decline both added value in production and a net fiscal contribution? I will argue that the immediate case is a profit and market-oriented management that is autonomous in its daily operation, hence insulated against political and bureaucratic predation, and receives clear incentives from a strictly limited, coherent group of high-level principals in the political regimes”. Hertog acknowledges the incentives from public policy but privileges ‘profit and market-oriented management’ factors as the immediate case for the emergence of PoPs.

Forbes and Lynn (2007) observed that the concept of organizational performance is confronted with as much difficulty as the lack of theoretical consistency. The literature that focuses on explaining public sector organizational performance has been largely theory deficient (Lynn and Robichau 2013). Lynn and Robichau (2013) tried to lay out the broad elements ‘towards a theory of government performance’. Leonard (2010) and Roll (2011) generally agree that the existing theories for explaining the emergence and persistence of well-performing public organizations, particularly in developing countries, are inadequate.

Following Lynn and Robichau (2013) and Roll (2014), this study uses an analytical framework that specifies three broad categories of variables that should be taken into consideration in exploring the reasons for the emergence and persistence of PoPs. The analytical framework does not “distinguish between factors that are more important for the *emergence* and others that are more important for the *persistence* of PoE” as was done by Pogoson and Roll (2014: 121) “for analytical reasons” (ibid). Pogoson and Roll (2014: 121) admit that “there is certainly a degree of overlap” between the emergence and persistence factors. PoE cannot persist in the absence of the emergence factors.

Largely based on the work of Grindle (1997), Roll (2014), and McDonnell (2017), this study uses an analytical framework that tries to explain the emergence of exceptionally well-performing public organizations (that is, state-owned enterprises) in a context of relatively from poor performing public organizations within the task area. The analytical frameworks that have been constructed by Leonard (2008, 2010) and Roll (2011, 2014) for explaining the emergence and persistence of exceptionally well-performing public organizations contain inconsistent categories of factors. For instance, Roll (2011) used the three categories of ‘political factors,’ ‘institutional factors,’ and ‘managerial factors’; but, in Roll (2014), the categories have been changed to ‘organizational strength,’ ‘organizational culture,’ and ‘organizational proactivity’. Similarly, some of the factors placed under earlier categories have also been reshuffled. Clear conceptual constructs to serve as the foundation for theory building is lacking (Whetten 1989; Weick 1995). Arriving at a theoretical consensus on the factors influencing the emergence and persistence of PoEs and PoPs is far from sight.

Based on the works of Owusu (2006), Leonard (2008, 2010), Lynn and Robichau (2013), Roll (2014), and McDonnell (2017), this study constructs an analytical framework for understanding the factors that are necessary for a PoP to emerge. The analytical framework uses three broad categories of factors; namely, (i) ‘focused public policy’ factors, (ii) ‘performance-oriented management’ factors, and (iii) ‘organizational proactivity’ factors. The categories of factors are presented in Table 2 below and explained next.

**Table 2. 3: Categories and factors that explain how pockets of productivity emerge**

<b>Focused Public Policy</b>	<b>Performance-Oriented Management</b>	<b>Organizational Proactivity</b>
Focused legal powers Free market economy	Merit-based recruitment Inclusive leadership Task performance-orientation Profit-oriented technology	Operational autonomy Agile marketing & outreach

**Source:** Based on Roll (2014: 200)

This study argues that the emergence of a pocket of productive state-owned enterprise occurs through the interaction of focused public policies, performance-oriented management, and organizational proactivity. Focused public policies refer to public policies made by governments aimed at enhancing the mandate of the organization. Performance-oriented management refers to the processes and structures created by the leaders of an organization to enhance employee and organizational task performance. Finally, organizational proactivity refers to an organization proactively assessing market trends (including client behaviour), and aligning the organization’s policies, processes and resources to external demands and opportunities to enhance profitability and/or survival. The specific factors under these three broad categories of PoP factors shall be explained later.

Table 2.3 below shows that almost all the factors under ‘focused public policy’, ‘performance-oriented management,’ and ‘organizational proactivity’ have been found by some scholars to shape the emergence of PoEs and PoPs in diverse contexts (Leonard 2008; Roll 2014). The nature of the above eight factors is described below.

**Table 2. 4: Truth table scores for PoE and PoP cases (Crisp set score key: 1= Presence; 0 = Absence)**

Authors	Public Organization (Country)	Task Area	Focused Powers <sup>3</sup>	Operational Autonomy <sup>4</sup>	Inclusive Leadership	Merit-Based Recruitment <sup>5</sup>	Performance Orientation <sup>6</sup>	Organizational Outreach	Category of Performance <sup>7</sup>
Strauss (2014)	Joint Commission on Rural Reconstruction (Rep. China/Taiwan)	Service delivery	1	1	1	1	1	1	PoE
Pogoson and Roll (2014)	Food and Drug Regulation (Nigeria)	Regulation	1	1	1	1	1	1	PoE
Simbine et al (2014)	Human Trafficking Control (Nigeria)	Regulation	1	1	1	1	1	1	PoE
Willis (2014)	National Development Bank (Brazil)	Finance	1	1	1	1	1	1	PoE
Hout (2014)	Suriname State Oil Company (Suriname)	Profit	1	1	1	1	1	1	PoP
Hertog (2014)	State-owned enterprises in GCC countries	Profit	1	1	0	1	1	0	PoP

**Source:** Adapted from Roll (2014: 17, 216)

<sup>3</sup> Roll (2014) defined ‘focused powers’ as the “comprehensive legal powers” that focus on the organizational mandate. Focused powers also implies “a strong legal mandate of the organization, combined with a certain degree of autonomy” (Roll 2014: 201). This study uses the concept ‘focused legal powers’ which is made possible through public policy. Focused legal powers is distinguished from ‘operational autonomy’ which occurs through political management.

<sup>4</sup> Operational autonomy excludes legal autonomy. Roll (2014) agrees that the attainment of operational autonomy will require continuous political negotiations or ‘political management’. Therefore, the separate scores/results created for ‘political management’ in the original source have been dropped here.

<sup>5</sup> The term ‘merit-based recruitment’ which was analyzed as a ‘managerial factor’ in Roll (2011: 11) is preferred to the newer term of ‘staff deployment’ used in Roll (2014). The concept of ‘merit-based recruitment’ has greater clarity and more established in the human resource management literature.

<sup>6</sup> The management activities undertaken in pursuit of employees ‘performance orientation’ do simultaneously creates strong feelings of ‘organizational identity’ and ‘organizational culture’ (Grindle 1997). Following Pogoson and Roll (2014: 121), we reduce the similar individual factors of ‘performance orientation’ and ‘organizational identity’ by dropping the organizational identity factor from the original table.

<sup>7</sup> Two broad categories of organizational performance have been created for the purpose of the study, namely Pockets of Effectiveness (PoE) and Pockets of Productivity (PoP). It is clear that PoP and PoE do not always require the same factors to emerge as exceptionally well-performing organization.

## **2.4 Focused Public Policy Factors**

Public organizations cannot exist without the making of public policies by government. Public policies creating the legal mandates and structures of public organizations constitute the first “important founding feature” (Roll 2014: 201) necessary for the eventual transformation of existing organizations into a PoE or PoP. Not all public organizations created by government eventually become transformed into effective and productive organizations. Therefore, whether or not a specific public policy can be said to be the causal factor the emergence of organizational effectiveness or productivity is a matter that needs to be proven through empirical research rather than through abstract thinking.

The broad claim by some scholars that “the most systematically influential factors remain the structures created by public policy processes and the administrative management they require and authorize” (Lynn and Robichau 2013: 201) does not point to specific “structures”. Therefore, there is the need to investigate the specific public policy structures that matter for the emergence of a PoE or PoP. In this context of profit-oriented state-owned enterprises, two “deliberate top-down political decisions” (Roll 2014: 194) of public policy necessary for the emergence of a PoP in the state-owned enterprises sector are, first, ‘focused legal powers’ and, second, a free market economy. The nature of these factors are explained below.

### **2.4.1 Focused Legal Powers**

Scholars with interest in understanding the factors for the emergence of PoE/PoP have argued that such organizations usually have ‘focused powers’ (Roll 2014). Roll defines focused powers as “the specific, with regards to the organization’s mandate, comprehensive

legal powers” that serve as operational, enabling and protective purposes for the organization to emerge and persist as PoE/PoP (Roll 2014: 202). In this study, the term ‘focused legal powers’ will be used to emphasize the degree of legal autonomy implied in Roll’s concept of ‘focused powers’. ‘Focused legal powers’ is defined here to mean the comprehensive formal-legal powers of the organization that specifies the degree of formal-legal autonomy.

The emergence of exceptionally well-performing organizations require comprehensive formal-legal rules that focuses on specifying the power of the organization to make autonomous managerial decisions concerning personnel recruitment and management, financial resource management, and internal and external regulatory standards. The comprehensive legal rules should also specify the power of external agencies to influence the organization by means of budgeting, reporting requirements, recruitments, evaluation and auditing (Verhoest et al. 2004). These legal powers enable the organization to plan strategically towards the delivery of its mandate. It also helps the organization to guard against unwanted external intrusions into its affairs.

In explaining the emergence of PoEs and PoPs in diverse contexts, Roll (2014: 202) found that the specific comprehensive legal powers focusing on the organization’s mandate and structure “enabled the organizations to obtain a high degree of autonomy”, and, “also served as powerful frameworks for the chief executives to refer to when defending the organizations against political or other kinds of attempted interference.” Verhoest et al. (2004)

The literature on PoEs does not clearly state how comprehensive the focused legal powers of an organization should be “with regards to the organization’s task” (Roll 2014: 202). Lynn and Robichau (2013: 202) argued that “the core influences on government performance remain the hierarchically ordered structures – organisations, delegations of formal authority, rules and guidelines, categorized budgets, information exchange and reporting requirements, operational mechanisms – that enable and constrain public administrators in their policy implementation roles.” Focused comprehensive legal powers should define such hierarchically ordered structures that enable and constrain productive performance.

Verhoest et al. (2004: 104) have argued that scholars should conceptually distinguish between two kinds of organizational autonomy, namely, (a) “autonomy as the level of decision-making competencies”, and (b) “autonomy as the exemption of constraints on the actual use of decision-making competencies of the agency.” Based on these two distinctions, Verhoest et al (2004) identified two dimensions of autonomy at the level of decision-making competencies; and, four dimensions of autonomy at the level of exemption of constraints on the actual use of decision-making competencies. Table 2.5 below presents the six dimensions of formal-legal and actual organizational autonomy that constitutes what this study refers to as focused legal powers. There is the need for empirical research on PoE and PoP to examine how the formal-legal powers of managerial autonomy, policy autonomy, structural autonomy, financial autonomy, legal autonomy and interventional autonomy impacted on actual operational autonomy and, ultimately, organizational performance.

**Table 2. 5: Dimensions of organizational autonomy**

Dimensions of autonomy of the agency	Dimensions of control by the government of the agency
<i>Autonomy as having own decision making competencies</i>	<i>Control as the ex-ante limitation of decision making competencies by rules and a priori approval procedures</i>
Managerial Autonomy	Ex-ante control on inputs by rules and ex ante approval of decisions or involvement in decisions concerning management of financial, human and organizational resources.
Policy Autonomy	Ex-ante control are processes of performance control by specifying ex ante rules, standards and norms concerning (1) processes, (2) policy instruments and (quantity and quality) of outputs, (3) and objectives and effects.
<i>Autonomy as being shielded off of governmental constraints on actual decision-making</i>	<i>Control as the constraints on the actual use of the decision-making competencies delegated to the agency.</i>
Structural Autonomy	Control by influencing the agencies' decisions through hierarchical and accountability lines towards the agency head or through the supervisory board.
Financial Autonomy	Control by influencing the agencies' decisions by reducing or increasing the level of budget granted to the agency.
Legal Autonomy	Control by changing the legal status of the agency.
Interventional Autonomy	Control by influencing the agencies' decisions by the means of reporting requirements, evaluation and auditing provisions against externally set goals and norms and by (the threat of) sanctions or direct interventions

**Source:** Verhoest et al. (2004: 109)

Scholars of PoE and PoP have not comprehensively interrogated how the different dimensions formal-legal autonomy impacts on organizational performance. Many scholars have focused on formal-legal financial autonomy. The literature on SoEs suggests that formal-legal rules of financial autonomy is a necessary factor that enabled Chief Executives to improve the remuneration of employees as an incentive to increase organizational performance (Owusu 2006; Pogonson and Roll 2014). Formal-legal rules of financial autonomy also enabled SoEs to retain financial resources used for investments in advanced technology to improve performance (Hertog 2014).

Formal-legal financial autonomy protects the financial resources of SoEs from political predation, particularly when governments are facing financial crisis (Hertog 2014). However, some researchers have also suggested that formal-legal autonomy is not always a requirement for the emergence and persistence of PoE (McDonnell 2017). According to McDonnell (2017), the Bank of Ghana used its legal autonomy to emerge as a PoE in regulating monetary policy. The National Communications Authority (NCA), another PoE in Ghana studied by McDonnell (2017), also appears to have been aided by its legal autonomy to emerge as a PoE. In contrast, the Policy Analysis and Research Division (PARD) of the Ministry of Finance and Economic Planning (MOFEP) in Ghana lacked legal autonomy but it emerged as a PoE in performing its task of researching and giving report on the economic impact of fiscal policies proposed by the Minister of Finance (McDonnell (2017). The study will examine which dimension of formal-legal autonomy did matter for the emergence of GCGL as a PoE in the state-owned media industry. It is worth emphasizing that formal-legal legal autonomy is a public policy factor created through government decisions.

#### **2.4.2 Free Market Economy**

A free market economy is required by state-owned enterprises for the commercialization of their goods and services to make profit. Open market economy arises from the enactment of government public policies (North 1990). Weber (1922: 964) emphasized that “a certain measure of a developed money economy is the normal precondition at least for the unchanged survival, if not for the establishment, of pure bureaucratic administrations.” Weber (1922: 964-5), however, pointed that “the money economy is of very great importance for the whole bearing of bureaucracy, yet by itself it is by no means decisive for the existence

of bureaucracy.” State-owned enterprises in the print media surely need an open market economy for the sale of newspapers and other services like advertisement.

There should be no legislations that constrain the state-owned media organizations from engaging in free market exchanges. Government must create a free market economy for the free exchange of labour, goods and services concerning the state-owned media enterprises. This will enable SoEs to hire competent labour from the market. A free market economy will also enable SoEs to freely determine the prices of their products. Government must create public policies that ensure the elimination of marketplace barriers to competition (Rondinelli 2005) and to encourage performance orientation (Trivedi 2008).

## **2.5 Performance-Oriented Management Factors**

Performance-oriented management is the second ‘founding feature’ of PoEs and PoPs (Roll 2014). In the view of Roll (2014: 201), “the immediate generation of a performance-oriented organizational culture” is the second critical founding feature required for public organizational “transformation into a PoE.” Under the broad category of ‘performance-oriented management’, four factors are necessary for the emergence of a PoP, namely (i) merit-based recruitment, (ii) inclusive leadership, (iii) task performance-orientation, and (iv) profit-oriented technology. The managers of the organization need to pursue ‘merit-based recruitment’ of staff from the free market economy, promote ‘inclusive leadership’, introduce appropriate ‘task-performance orientation’ system, and procure ‘profit-oriented technology’ required for the production of the goods and services demanded by the market.

### **2.5.1 Merit-Based Staff Recruitment**

Leonard (2008:11-13) hypothesized that “An organisation’s ‘productivity’ is largely determined by how it does its tasks – i.e., by management and leadership – not primarily by its function or its political context” and, therefore, “Productivity is more likely if employees are selected for their positions because of high competence or unique skills”. Merit-based staff recruitment into organizations refers to a process of selecting and recruiting competent personnel who have the requisite skills, knowledge, and experiences to fill vacant positions to execute specified tasks within an organization. Recruits must possess skills in relation to standards sets in organizations. This is because labour is pooled in relation to the specific function performed by the organization (McDonnell 2017).

The selection and recruitment of the personnel including top level and lower-level personnel should be based on merit (Leonard 2008), value-orientation (Grindle 1997), and loyalty (Whitfield and Therkildsen, 2011). Whitfield and Therkildsen (2011: 30) called this “responsive merit”. Performance-oriented organizational culture that underpins well-performing public organizations in developing countries (Grindle 1997) is the results of the values of organizational leaders (Hofstede and Hofstede 2005; Pogason and Roll 2014). A personnel system that is largely merit-based has the tendency of providing personnel with profit-oriented values and resource mobilization (Leonard 2008; Hertog 2014). Prichard and Leonard (2010) opined that high meritocracy is the model for public enterprises that emerge as pockets of productivity in developing countries.

State-owned enterprises do not only require financial resources to perform productively; but, more crucially, SoEs need qualified staff to appropriately use the resources provided in a productive way (Crook 2010). Rondinelli (2005) argued that, for a productive state-owned enterprise to emerge, personnel recruitment authorities must ensure that only applicants possessing professional competence and profit-oriented values are recruited into appropriate departments. Geddes (1990) argued that appointing ablest people through competitive exams to occupy leadership roles rather than recruitment based on political criteria or clientelistic interests is a critical requirement for the emergence of pockets of efficient SoEs.

Political appointment of the members of governing boards of SOEs by every new government leads to constant changes in the managerial expertise within the enterprises (Appiah and Abdulai 2017). The consequence is inconsistent policies and undue delays in the take-off and completion of transformational projects (Ogohi 2014). Politically appointed board members are usually coerced to give financial favours to government and powerful politicians leading to organizational collapse (Ogohi 2014).

### **2.5.2 Inclusive Leadership**

Leadership is a process whereby others (generally followers) are influenced by a person (a leader) to achieve a specific objective in such a way to make it “cohesive” and “coherent” (Dartey-Baah, Amponsah-Tawiah, and Sekyere-Abankwa 2011: 60). According to Roll (2014: 206), “inclusive leadership style denotes a leadership style, in which the chief executive communicates his goals, mission and expectations clearly, is accessible to members of staff, invites and pays attention to new ideas and suggestions, and cares for

staff.” Inclusive leadership has been found by many scholars (Hout 2014; Roll 2014; Quinnt and Cameron 2016) to be an important practice for the emergence of productive public organizations particularly in countries with low power distance (Hofstede and Hofstede 2015).

Inclusive leadership may not be appropriate for organizations in national contexts “where social hierarchies are particularly strong” (Roll 2014: 206) or in societies where the power distance between organizational leaders and their subordinates is very high (Hofstede 2011). Within the Islamic cultural context of the Gulf Cooperation Council member states, Hertog (2014) found that chief executives of SoEs did not use inclusive leadership styles. In contrast, many scholars found that inclusive leadership contributed to the emergence of PoEs in public organizations Ghana (McDonnell 2017). Pogoson and Roll (2014: 107) recommend that “In order for commitment to become a strong motivating factor for staff across the board, leadership at all levels must nurture and communicate it. Public service commitment can be ignited and maintained through inclusive and motivating leadership, management and support.” Inclusive leaders enhance the relationship among subordinates through building commitment, confidence and trust (Dartey-Baah et al. 2011).

### **2.5.3 Task Performance-Orientation**

Building performance-orientation at the onset of an organization “build a crucial foundation that is difficult or even impossible to establish at a later point in time” (Roll 2014: 202). Scholars studying both PoE and PoP in diverse contexts found that performance-orientation is a necessary factors that was present in every case of PoE or PoP emergence (Roll 2014).

Performance orientation involves setting employee performance targets, appraising employee performance, giving performance feedbacks to employees; and, rewarding, punishing, and improving employees for their performance. It also includes motivating employees with the appropriate incentives to improve performance. Although enterprises can recruit personnel through merit-based processes, the employees will become ineffective and unproductive in the absence of rewarding performance-oriented system in the organization.

The role of employee remuneration in contributing to improving task performance has been widely acknowledged in PoE and PoP studies (Owusu 2006; Hertog 2010; Roll 2014). A comparative study of good performing and poor performing public organizations in Ghana by Owusu (2006: 473) “found that good performing institutions paid higher salaries.” Similarly, Roll (2014:203) reported that the payment of higher salaries is a common finding in PoE studies: “All organizations in our sample paid salaries and provided welfare benefits to their staff that were considerably higher than in the regular civil service”. It seems that, in developing countries, linking employee remuneration to task performance could significantly drive the emergence of a PoP where profit-orientation is the core focus.

Creating and sustaining an honest task performance-orientation system among employees public sector organization in developing countries has been found to be very difficult (Grindle 1997; Owusu 2006). To sustain a task performance-oriented organizational culture, “a self-perpetuating process has to be set in motion, supported by a growing organizational identity, especially at the higher levels of the organization” (Roll 2014: 206). Pogoson and Roll (2014) found that increasing financial autonomy and creating a performance-based

reward system helped to create a self-perpetuating process of task performance orientation among employees of NAFDAC (a PoE) in Nigeria.

As argued by Leonard (2008), good incentive in the form of remuneration encourages and sustains employee performance in public organizations. Primarily, performance within public organization is enhanced through the employee incentives management system. Financial incentives must be given to staffs as reward for good work done to promote good performance. Wages and salaries paid to public sector employees in Ghana in general seem less attractive as compared to help stimulate task performance-oriented values (Asamoah et al. 2013). Hasty (2005) reported that employees in the media industry in Ghana were paid very low salaries. The study examines whether or not there existed differences in the ability of GCGL and NTC to use financial incentive-based performance management system to generate task performance orientation among employees.

#### **2.5.4 Profit-oriented Technology**

Technological innovations and investments are at the heart of capitalism in the economically advanced Western countries. In contrast, state-owned enterprises in developing are usually equipped with either low or second grade machineries which contribute to insufficient capital or low output ratio (Nellis 2005; Ogohi 2014). Frequent breakdowns of old and poorly-serviced machines led to frequent breakdowns of machines and closure of some SoEs in Ghana (Killick 2010). The acquisition and deployment of appropriate technology to produce goods and services demanded by customers is what drives profitability.

The role of technology as a ‘necessary factor’ (Hertog 2014) or ‘non-necessary factor’ (Roll 2014) in the emergence of profit-oriented PoPs and non-profit-oriented PoEs is a subject of an interesting debate. In their study of NAFDAC, a non-profit oriented PoE in Nigeria responsible for fighting against, counterfeit drugs, Pogason and Roll (2014: 109) noted that “NAFDAC needed to completely overhaul its infrastructure. Laboratories were re-equipped to meet international standards, and many of them were subsequently internationally accredited by the WHO, other United Nations organizations, the European Union and others. ...These are just examples of how technology was and is employed to improve NAFDAC’s effectiveness.” Without advanced technology, NAFDAC would not have been able to emerge as a PoE on the scale that it achieved. In another example, Hout (2014:163) noted that the emergence of the profit-oriented Suriname State Oil Company (Staatsolie) as a PoE was partly due to the acquisition and deployment of technology which was not available locally: “During its first few years of its existence, Staatsolie acquired its technological and managerial know-how by working closely with foreign consultants, most notably from Gulf Oil’s division Geoman”. Clearly, functions like oil drilling cannot be performed at all in the absence of advanced technology. Technology is therefore critical for PoPs to emerge.

Strangely, however, Roll (2014:205) emphasized that the acquisition and deployment of technology by the PoEs was not a necessary factor for the emergence of the PoEs. Roll explained that “The key point is that it is not the introduction of technology per se that does the trick. Technology only contributes to organizational effectiveness when it is embedded in the organization’s overall procedures, operations and staff development. It can *improve* effectiveness where it already exists, but it cannot produce it where it is absent. That is why

we call this non-necessary factor ‘embedded technology’”. It is not clear how ‘organizational effectiveness’ can exist for Staatsolie in the absence of technology at the start of production of oil. Certainly, in the media industry, the production of newspapers for sale is impossible without the use of advanced technology. This study later discusses the role played by technology in the emergence of GCGL as a PoP in contrast to the NTC. For SoEs, the acquisition of profit-oriented technology is a necessary factor for profit-making.

## **2.6 Organizational Proactivity**

Finally, organizational proactivity, in the political arena of power and in the market arena of profit-making, has been found to play a critical role for the emergence and persistence of both PoE and PoP. Organizational proactivity refers to an organization proactively assessing the behaviors of powerful stakeholders (including governments), clients, competitors and markets; and, consequently, aligning the organization’s policies, processes and resources to the observed behavioural trends to enhance organizational survival and profitability.

Under the broad category of ‘organizational proactivity’, this study identifies two factors that are necessary for the emergence and persistence of a PoP. The first factor is the continuous negotiation of ‘operational autonomy’ with powerful political elites to secure effective, productive, and consistent managerial decision-making in the executive boardroom. The second factor is ‘organizational outreach,’ labelled here as ‘market outreach,’ to clients and potential customers. Roll (2014: 210) observes that “Organizational proactivity is perhaps the most neglected one in the literature so far.” The nature of ‘operational autonomy’ and ‘market outreach’ and how they shape the emergence of a PoP is explained further below.

### **2.6.1 Operational Autonomy**

There is consensus among scholars that formal-legal powers of autonomy should not be used as an indicator of actual organizational autonomy (Strauss 2014; Verhoest et al. 2004). Verhoest et al (2004: 101) stated that “The empirical material points at the dangers of using formal-legal status of a public organisation as an indicator of its autonomy, given substantial heterogeneity of organisations with the same formal-legal status on each dimension of autonomy.” Formal-legal powers of autonomy are created to enhance operational autonomy against patronage and clientelism within and outside the state.

Operational autonomy is the extent to which organizational leaders or managers are allowed the freedom, the independence and the discretion to make managerial decisions concerning substantive and procedural parts of their works, in relation to the schedules and determination of procedures to use in the execution of tasks (Geddes 1990; Grindle 1997; Verhoest et al. 2004; Asamoah, Osei-kojo, and Yeboah-Assiamah 2013). Operational autonomy insulates a public organization’s managerial decision-making from political interference.

The literature on SoEs mainly affirm that the inability of many SoEs state-owned in developing countries to become productive is due to political influence over the range of substantive resources that SoEs control (Basu 2005; Trivedi 2008; Hertog 2014). Political predation undermines the viability and profitability of the SoEs leading to crippling ineffectiveness and unproductivity. The success of a state owned enterprise is partly dependent on operational autonomy negotiated from political elites (Hertog 2010).

SoEs with comprehensive operational autonomy are able to make their own managerial decisions, prepare their own budget, generate internal funds, and determine the remuneration of their employees. McDonnell (2017) noted that achieving operational autonomy by public organizations is rare. This is as a result of political regime restraints is oriented towards “clientelistic” interest and politics. Since SOEs are owned by the state, they are likely to prioritize government goals and compromise their profit-maximizing goal in the absence of operational autonomy (Jakob 2017). Hertog (2010, 2014), in a comparative study of SoEs across oil producing countries found that none of SoEs that lacked operational autonomy had been able to emerge as a PoP. In contrast, all the PoP cases had operational autonomy. Politicized SoEs are usually unprofitable, suffer from corruption, and are often unable to set profit-oriented prices in the market for their goods and services (Bozec 2002; Hertog 2014). This study examines the extent to which GCGL and NTC had gained operational autonomy; and, to what extent operational autonomy underpinned the emergence of GCGL as a PoP.

### **2.6.2 Organizational Outreach: Market Outreach**

No public organization, whether profit-oriented or non-profit oriented, can be successful without reaching out to its stakeholders, clients and customers. Talbot (2005: 8) has noted that “consumers of public services are more demanding about quality and flexibility in service delivery.” For profit-oriented SoEs, profit-making and organizational survival depends critically on reaching out and meeting the demands of customers in the free market economy (Ewing and Caruana 2000). Non-profit public service delivery organizations also need to reach out to justify that their services are relevant to citizens before their budgets are approved by the legislature and the executive branches of government.

It is worth noting that the existence of public organizations is directed towards creating public value (Talbot 2005). The argument is that the services public organizations provide are not only about addressing market failure, but to create positive public value which are merely not viewed as products' but rather addressing issues such as building social capital, equity and equality (Talbot 2005). Client and market outreach ensures organizational success, continuous adjustments to changing demands, and long term survival.

Roll (2014:200-201) however argued that, for public organizations to emerge as PoE, organizational outreach is “necessary only for scale effectiveness” and not a necessary factor for “core effectiveness”. Roll (2014: 201) distinguished between ‘scale effectiveness’ and ‘core effectiveness’ as follows: “‘Core effectiveness’ denotes the effectiveness of the centre of the organization at headquarters. ‘Scale effectiveness’ on the other hand refers to the capacity of an organization to deliver public goods and services across the territory if it responsible for.” Roll explains that “Due to the nature of their tasks, some organizations operate almost exclusively at headquarters without a network of field offices. Their services can be provided in a highly centralized manner and the number of clients they interact with is often small (e.g. central banks, development banks and civil aviation authorities).” Profit-oriented SoEs can only become PoPs if they reach out to clients in the market economy.

## **2.7 Chapter Summary**

Public sector organizations that are exceptionally well-performing in the delivery of their mandates are rare to find in many developing countries. However, pockets of effective and productive public organizations have been found to exist in even the most corrupt countries

in Africa. This chapter has identified and discussed the necessary public policy factors, performance-oriented management factors, and organizational proactivity factors that accounts for the emergence and persistence of pockets of productive public organizations in developing countries. However, scholars have not yet developed a coherent theory for explaining the relationships among the factors that are necessary for the emergence of such pockets of effectiveness and productivity. Therefore, the chapter uses an analytical framework to empirically explore how the necessary factors for the emergence and persistence of pockets of productive state-owned enterprises enabled Graphic Communications Group Limited to emerge as a PoP in an environment where other state-owned media organizations have struggled to be productive and profitable.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

This chapter presents the research methodology employed in this study. It discusses the philosophical paradigm of the research, the research design, the methods of data collection, and methods of data analysis. It also includes the ethical considerations made during the research process and research challenges encountered.

#### **3.1 Research Philosophy and Paradigm**

Research is usually underpinned by philosophical assumptions. The philosophical assumptions are the researcher's perspective of reality and also how knowledge is created (Mackenzie and Knipe 2006). The philosophical assumption of the nature of reality is known as ontology, while the philosophical assumption on how knowledge is created is called epistemology (Creswell, Hanson, Clark Plano, and Morales 2007). Neuman (2014) argues in line with Creswell et al. (2007) that the philosophical assumptions form the basis of a research. And this provides an understanding that guides the entire research process and the basis for selecting the research methods (Creswell 2014).

This research adopts the interpretivist research paradigm (Creswell 2007, 2014). Creswell (2014) argues that interpretivism enables a researcher to make sense out of the meanings others have with regards to a phenomenon. Interpretivist paradigm involves generating

theories and identifying patterns of meaning in qualitative research. Neuman (2014) also argues that interpretivist paradigm helps gather qualitative data for the purposes of acquiring in-depth insight and gaining understanding into a particular phenomenon under study.

Saunders, Lewis and Thornhill (2009) argue that the subjective nature of the research paradigm helps to best examine a phenomenon from the perspectives of actors attached to the phenomenon. It also helps to derive the understandings the actors attached to the phenomenon. Saunders et al. (2009) argue that it is more appropriate to adopt an interpretivist epistemology predominantly where the focus is to examine the meanings respondents associate to a particular phenomenon under study.

The interpretivist philosophical paradigm guided this research to gain more insight and understand the meanings to the perspectives of employees of GCGL, NTC, newspaper vendors, and a relevant informant at the National Media Commission. The opinions and perspectives of these actors form the key materials from which the findings of the study have been interpreted within the context of the analytical framework of the study.

### **3.2 Research Approach and Design: Qualitative Comparative Analysis**

Geddes (1990) argues that comparing best performing case against less performing case result in identifying the underlining determinants of their success. Therefore, the qualitative comparative case study research design and analysis was adopted (Yin 2006, 2015). GCGL is the best performing case which is compared with the poor performing case of NTC.

Zainal (2007:2) sees case study “as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used”. Thus, case study helps to explain both the process and outcome of a phenomenon through complete observation, reconstruction and analysis of the cases under investigation.

The selection of SoEs in the communication sector was based on previous research works that had been successfully conducted by former students involving GCGL in which access to data had been provided by the organization. Gaining access to research data is at the heart of successful research work (Creswell 2014). Information published by the Ministry of Finance in the State Ownership Report in 2016 and 2017 was the basis for determining the selection of best performing and poor performing cases.

GCGL and NTC were selected comparative analysis for because both entities are state-owned enterprises within print media industry where they produce similar product, goods and services (Sartori 1991). Hence, comparison between both GCGL and NTC help to establish the factors that differentiate good organizational performance of GCGL and poor organizational performance at NTC in the context of productivity defined as profit-making.

Marshall (1996) affirmed that qualitative research approach is aimed at enlightening and providing in-depth understanding of complex psychosocial matters. Qualitative research

approach is useful in answering “why” and “how” questions. Qualitative research approach helps in understanding complex human issues instead of generalizing outcomes. Lacey and Luff (2009) also confirm Marshall (1996) argument that qualitative research is mostly good at providing answers to the ‘why’, ‘what’ or ‘how’ questions in a research.

The research adopts an exploratory research design given the understanding that research about the phenomenon of pockets of effectiveness and pockets of productivity is an emerging one lacking a clear theoretical lens for analysis (Leonard 2008; Roll 2014). An exploratory research tries to examine a phenomenon which is relatively new or emerging (Robson and McCartan 2016). Moreover, an exploratory research design is no indication that a research lacks direction. But rather enables the researcher to have wide range of themes to research. It also enables a researcher to have broad range of questions to ask participants under study.

### **3.3 Study Population**

The population of a study denotes the entire or the totality of the elements meeting some specification for a study (Spencer and Ritchie 2002; Ritchie, Lewis, Nicholls, and Ormston 2013). The target study population for this research consists of employees of GCGL and NTC. Therefore, the focus of data collection was on respondents or employees of GCGL and NTC and their clients including newspaper vendors and the National Media Commission.

### **3.3.1 Sampling Technique: Purposive Sampling**

Sampling is the process whereby subjects are selected to participate in a research study with the background that they would provide information that is considered important to the research. Sampling is relevant because it is impossible to gather information from every member of the target population of a research (Oppong 2013). In order to determine the most appropriate and adequate research technique, there is the need to take cognizance of what the research seeks to achieve, the level of analysis to be done, the choice of population and sample for the research (Bernard 2002).

Thus, this research employs the use of purposive sampling technique. Purposive sampling is a non-probability sampling method that is at times referred to as judgmental sampling. The purposive sampling is also referred to as selective or subjective sampling (Neuman and Robson 2007). The aim of purposive sampling technique is fulfilling objectives of the qualitative research approach. It also emphasizes identified characteristics of the study population. It also helps to answer the research questions (Barbour 2001). Purposive sampling also enable the researcher to be reflexive and to take decisions which are in response to the empirical findings and also theoretical development that is ensued in the research study (Guetterman 2015).

Purposive sampling technique enables the researcher to choose participants that best fit the research based on the study objectives (Saunders, Lewis, and Thornhill 2009). It therefore has the advantage of generating valid data for the research (Bricki and Green 2007). As

affirmed by Bagnasco, Ghirotto, and Sasso (2014), achieving significant data using purposive sampling helps the researcher to choose researcher participants in accordance with their knowledge and experiences in relation to a particular phenomenon. Tongco (2007) purported that the use of a non-probability sampling technique in a research is not devoid of biases. This is in relation of choosing participants primarily for the purposes of convenience. But the assumption that this technique is not devoid of biases does not affect the validity of the technique been used in a research.

### **3.3.2 Sample Size and Methods of Data Collection**

A study sample refers to the fraction of the population that is chosen to participate in a research (De Vos 2002). The fraction of the population selected for the research represents the entire population (Ritchie, Lewis, Nicholls, and Ormston 2013). Sampling is credible and acceptable where it is impossible for a researcher to have access to the entire population in order to undertake or understand a study.

Emphasizing the fact that there is the need to gain in-depth understanding into the phenomenon under study within a short period of time, the study relied on interviews and the administration of survey questionnaire to collect qualitative information for descriptive analysis (Creswell 2014). Sandelowski (2000) emphasize that the use of survey questionnaire to collect statistical data does not amount to quantitative analysis. The questions participants were asked covered the analytical framework designed to gain understanding into the factors that influence the emergence of a PoP.

Guest et al. (2006) argues that data saturation usually arises after twelve (12) interviews with organizational employees have been conducted. Further, major issues or themes concerning organizational behaviour normally emerge after the sixth (6th) interview is conducted (Guest et al 2006). Sixteen (16) in-depth interviews were conducted with knowledgeable informants; six (6) interviews each from GCGL and NTC, one (1) interview with an official of the NMC and three (3) interviews with Newspaper vendors.

One hundred (100) open-ended survey questionnaires were also given to employees of both GCGL and NTC; fifty (50) questionnaires were given to each organization. However, only (31) and (16) of the open-ended questionnaires were considered as validly answered. To ensure that only participants with some reliable knowledge about organizational practices were used, the study used survey questionnaires from employees who had worked with GCGL and NTC for at least two years. This approach however contributed to getting fewer respondents from NTC because many of their employees who had filled the questionnaire at the head office of the organization had worked for less than two years. It is better to rely on valid information than to include numerous research participants who had little knowledge about the research issues (Creswell 2014). The administration and collection of the questionnaires were done by the researcher. Nonetheless, the fewer number of questionnaires obtained from the NTC does not affect the findings since it meet the conditions for data saturation specified by Guest et al. (2006).

Baxter and Jack (2008) are of the view that the benchmark of a research using a case study approach is the use of multiple data sources which ensures of credibility of data gathered.

Primary data is data generated by the researcher directly from the research participants (Creswell 2014). Saunders et al. (2009) asserted that the use of primary data enable a researcher to gather data that is specific and relevant to a research project.

Labuschagne (2003:101) argues that “written documents, including such sources as open-ended written items on questionnaires and personal diaries” are considered as qualitative method to data gathering since it is aimed at giving a detailed description of a phenomenon being studied. Hence, this study used open-ended questionnaire aside interview to gather data from respondents since it is regarded as a qualitative method of data collection.

Concerning interviews, Qu and Dumay (2011) also argue that interview is one of the recognized and accepted approaches to collecting data in qualitative research. Interviews are effectual technique to collect rich empirical data most especially when the phenomenon under study is an uncommon one (Eisenhardt and Graebner 2007). Savenye and Robinson (1996) also see interview as a form of conversation whereby the aim is to collect data which addresses the goals and questions of a research study. Semi-structured interview approach used to design the survey questionnaire and the interview guides enabled the research to gain specific knowledge and the lived experiences of the research participants expressed based on open-ended questions (O'Dwyer 2004; Sawani, Mohamed Zain, and Darus 2010). The semi-structured interview approach is appropriate for exploring new phenomenon and also helps in gaining in-depth knowledge into the phenomenon under study (Saunders et al. 2009).

Finally, the study benefited from secondary data in the form of organizational reports, published articles, textbooks, media reports, and other publications on the subject under research. Hence, secondary data was gathered from annual reports of GCGL, SEC and MoF.

### **3.7 Data Analysis and Management**

Analysis of the data was done based on the analytical framework of the study designed on the basis of the research objectives and questions. Fereday and Muir-Cochrane (2006) sees a research theme as “a pattern in the information that at minimum describes and organizes the possible observations and at maximum interprets aspects of the phenomenon”. Thematic analysis is a flexible research tool that provides more detailed yet a complex account of data. It helps identify, organize, analysis, describe and report patterns in data set (Braun and Clarke 2006; Fereday and Muir-Cochrane 2006; Thomas and Harden 2008).

The data analysis process entails making sense out of the data. The process includes preparing the data gathered for analysis, delving into making sense out of the data, representing the data as well as interpreting the data gathered to draw clear understanding out of it. Roussy (2013) identified that there exist no rigid and rigorous data analyzes processes for a qualitative research. However, Sapsford and Jupp (2006) opined that data analysis process produces the key claim which forms the core of research reports. Emergent themes were used to analyze the qualitative data in this research.

The study used the SPSS Statistics software to analyze the closed-ended responses to the survey questionnaire to enable qualitative descriptive analysis of the aggregated opinions of employees in some instances (Sandelowski 2000). Sandelowski (2000) argues that qualitative descriptive statistics offer a comprehensive interpretation of an event in the everyday terms of those events. It also entails a type of interpretation which is presented in everyday language for easy understanding. Miller and Crabtree (1992:18) argue that although both quantitative and qualitative description helps count responses and number of participants into category, however, in qualitative description “counting is a means to an end, not the end itself” since data can be numerically summarized with descriptive statistics.

Contrary to popular perceptions, Sandelowski (2000) affirm that descriptive statistics can be used for both qualitative and quantitative analysis; in qualitative analysis qualitative descriptive statistics is used to describe patterns or regularities in a data that have in part been discovered and confirmed by counting. Quantitative analysis however moves farther into the domain of analyzing relationships between theoretical variables through correlational analysis using the closed-ended responses of research participants (Sandelowski 2000). This study used the descriptive statistics for qualitative analysis.

### **3.8 Research Process and Challenges**

The researcher encountered a number challenges with respect to getting the employees of GCGL and NTC to give relevant information needed to make this research study a successful one. The researcher spent a lot of time on data collection due to the busy schedules of most

the employees in both GCGL and NTC. Most of the interviews had to be rescheduled for latter dates. Also, the researcher encountered challenges with regards to interviewing newspaper vendors since most of them transact their businesses daily in traffic on the streets of Accra. The researcher had to go in search of them at vantage points with the hope of bumping into a vendor who will grant the interview since most of them hawk in traffic.

The interesting occurrence was to pause the interview sessions whenever the traffic light turns red indicating vehicular movement on a particular route must stop. Any time this happens, the researcher had to wait while the newspaper vendors rush to the stationed vehicles to transact their businesses. The interviews resumed when traffic start to move. This happened with each of the interviews granted by the newspaper vendors.

An attempt was made to review digitized archived newspapers of both GCGL and NTC at the University of Ghana library but this attempt was futile. It was found out that the microfilm reader to help access these newspapers had not being working for a long time. The research however did not cover the readers of newspaper from Graphic Communications Group Limited and New Times Corporation.

### **3.9 Credibility, Validity and Reliability**

Creswell and Miller (2000) argue that validity is the strength of a qualitative research. It is used to ascertain whether research findings are accurate from the viewpoint of the researcher,

the research participants. Validity of a research seeks to measure what a researcher anticipates to measure correctly. It enables a researcher to harness the knowledge and the expertise of the research participants and also infer meaning as anticipated by the participants (Saunders et al. 2009). The validity of a research is enhanced by the research approach (Ackers and Eccles 2015), data collection, and analysis techniques (Lillis 1999). The validity of a research is also enhanced by the identification of the study participants who possess the expertise, knowledge and have the rightful information needed for the research (Patton 2002). Sawani et al. (2010) emphasized that sending interview guide to interviewees before the main interview enhances validity since it helps to solicit the accurate information from respondents. This makes sure there are no ambiguities with the questions respondents will provide answers to which further ensure validity (Randall and Gibson 1990). In order to ensure validity, data was gathered from several sources such as semi-structured interviews, open-ended questionnaires, reports from GCGL, SEC, MoF and documented journals on the phenomenon under study.

Reliability measures the quality of a research. It focuses on the issue of accuracy of research methods and the techniques adopted in gathering data. Reliability is the ability of researchers to come up with similar findings following same procedure (Easterby-Smith, Golden-Biddle, and Locke 2008). Marshall and Rossman (1999) argue that strength of qualitative research is its flexibility and its emergent nature. Marshall and Rossman (1999) opined that an interpretivist research sees research as a broad and complex phenomenon. Hence data gathered is a reflection of reality as at the time the data was collected.

### **3.10 Ethical Issues**

Ethical issues are relevant in conducting research especially where human beings are involved in the research process. Issues concerning the consent of participants to participate in a research, their assurance of confidentiality, anonymity and also permitting respondents the right to withdraw from taking part anytime they desire are important ethical issues which must be considered (Teddlie and Yu 2007). These ethical issues were made known to the research participants prior to administering questionnaires and conducting interviews.

Interviews were conducted in a way that enhanced the privacy of the interviewees. Confidentiality and anonymity of respondents were guaranteed by avoiding the use of the names of research participants in the analysis. This was to prevent a situation where a third party will be able to access the respondents' comments which can be traced back to the specific individuals. Secure passwords were put on documents to avoid unwarranted access to interviews conducted and transcribed materials and questionnaires filled.

## **CHAPTER FOUR**

### **DATA ANALYSIS AND DISCUSSIONS OF FINDINGS**

#### **4.0 Introduction**

This chapter of the study presents and discusses the findings on the specific public policy, performance-oriented management, and organizational proactivity factors that accounts for the emergence of GCGL as a PoP in comparison to NTC. The discussion of findings is done taking into consideration the study objectives and questions. A survey of the opinions of employees in the two organizations, key informant interviews with employees of both organizations, and interviews with newspaper vendors constitute the key materials for the empirical analysis, sometimes supplemented by secondary data. Descriptive statistics from the survey data is used to support the qualitative analysis. Relevant background information about the nature of the respondents is first presented below.

#### **4.1 Demographic profile**

The demographic profile of the respondents presented below include information about gender composition, age range, level of education, years of work with the organisation, and the departments within which the respondents work.

Table 4.1 below presents the gender distribution of the respondents from GCGL and NTC.

**Table 4. 1: Gender Distribution of Respondents**

Gender	GCGL		NTC	
	Frequency	Valid Percent	Frequency	Valid Percent
Male	19	61.3	12	75.0
Female	12	38.7	4	25.0
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.1 show that in both organizations, males dominated the gender distribution of respondents: 61.3% males out of the 31 respondents from GCGL and 75% males out of the 16 respondents from the NTC. It can be argued that the participation of respondents in their organization’s performance management processes, as well as the validity of respondent’s views about the nature and effect of internal strategic management processes of their organizations are not influenced by gender differences. Gender differences in respondent’s participation is not likely to affect the nature of the findings. Male dominance in the respondents from both state-owned enterprises is therefore unlikely to affect the findings.

Table 4.2 below also presents the age distribution of the respondents from both NTC and GCGL. It can be seen that the majority of respondents from both organizations were below forty (40) years. The respondents could be described as dominated by young persons.

**Table 4. 2: Age Distribution of Respondents**

Age	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
20 – 29	7	22.6	6	37.5
30 – 39	10	32.3	6	37.5
40 – 49	7	22.6	2	12.5
50 – 59	7	22.6	2	12.5
Total	31	100	16	100

**Source:** Field Data (2019)

The respondents from the NTC are largely younger (75%) than those from GCGL (54.9%). During interviews at the NTC, it emerged that the organization was dominated by younger persons because many older and experienced staff had resigned from the organization due to poor remuneration and conditions of service. Hasty (2005: 17) had also noted that “While state journalists are somewhat better off than their colleagues in the private press, the typical salary of a journalist on staff is so meager that most continue to live with extended family, deferring plans for marriage and independence until their financial situation improves.” The poor working conditions and high staff attrition at NTC partly explains why the study found it difficult to get many employees of the NTC to participate in the survey.

Table 4.3 below shows the period the respondents joined the organization or number of years that the respondents had worked with their respective organizations.

**Table 4. 3: Respondents’ Years of Work in the Organization**

Year Joined Org.	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
1986- 1990	1	3.2	-	-
1991 – 1995	3	9.7	1	6.3
1996 – 2000	2	6.5	1	6.3
2001 – 2005	1	3.2	1	6.3
2006 – 2010	5	16.1	1	6.3
2011 – 2015	12	38.7	1	6.3
2016+	7	22.6	11	68.8
Total	31	100	16	100

**Source:** Field Data (2019)

The results from the table above indicated that large number of respondents from GCGL representing 77.4% had worked with the organization for at least four years; and, therefore the GCGL respondents had more experience about the nature of management processes in

the organization as well as the effect of public policy and market factors on the fortunes of the organization. In contrast, the majority of respondents from the NTC (68.8%) started working with the NTC not later than 2016. Using the composition of the respondents, GCGL has long serving employees compared to NTC.

In analysing the performance orientations of the NTC and GCGL, only the views of respondents who had worked with their organizations for at least three years were used to help establish strong patterns of organizational behaviour concerning performance management. Moreover, the in-depth interviews with employees focused on employees who had worked with their organizations for more than a decade to obtain better insight into the behaviours of the organizations over a long period of time.

The level of education of respondents to questionnaires written in the English language is likely to affect their understanding of the issues, and the reliability of responses to questions.

The level of education of the respondents is presented in Table 4.4 below.

**Table 4. 4: Educational Level of Respondents**

Edu. Level	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
HND	2	6.5	2	12.5
Bachelor's Degree	17	54.8	11	68.8
Master's Degree	10	32.3	3	18.8
Professional certificate	2	6.5	-	-
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.4 above highlights the educational level of the survey respondents. The results show that all the respondents from the NTC had tertiary level education (from HND to master’s degree) while the greater number of respondents from GCGL (93.5%) had gone through the same tertiary level of education. The rest of the respondents from GCGL indicated that they possessed professional certificate (not specified). It should however be noted that a greater number of respondents from the GCGL had masters degrees than those from NTC. The possession of tertiary educational certificate is however considered adequate to understand the questionnaire and provide appropriate responses to the questions.

Table 4.5 below presents the departments within the organization where the respondents worked. At the GCGL, the respondents worked in the Finance, Editorial, Marketing, Procurement, Audit, and Corporate Communications departments. Respondents at the NTC also worked in the Accounts, Editorial, Marketing, Audit, Security, and Sport departments.

**Table 4. 5: Department Respondents Work**

Department	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Finance	8	25.8	-	-
Editorial	11	35.5	8	50.0
Marketing	4	12.9	1	6.3
Procurement	2	6.5	-	-
Audit	4	12.9	1	6.3
Corporate Communications	2	6.5	-	-
Accounts	-	-	4	25.0
Security	-	-	1	6.3
Sport	-	-	1	6.3
Total	31	100	16	100

**Source:** Field Data (2019)

The respondents in the two media enterprises therefore largely came from similar departments. In each organization, more respondents were surveyed in the Editorial department (35% at GCGL and 50% at NTC) because it performs the core function of gathering and publishing news for the market. For instance, employees in the editorial department are in a better position to know whether the organization has operational autonomy from government interference in the publication of newspapers (Hasty, 2005). That notwithstanding, employees in the various departments are considered to have some knowledge about the factors affecting the effectiveness of their organizations.

The study presents and discusses below the specific public policy factors, performance-oriented management factors, and organizational proactivity factors that have driven the emergence of the GCGL as a PoP compared to NTC.

#### **4.2 Public Policy Factors for the Emergence of PoE**

Two specific public policy factors that have been considered as necessary for the emergence of a PoP are (i) public policies creating a free market economy, and (ii) the creation of a public organization with focused legal powers. These factors can only exist, or not exist, through direct public policy interventions made by governments. The key issue to discuss is whether or not GCGL emerged as a PoP in comparison to NTC due to any differences in these two specific public policy factors.

#### **4.2.1 Creation of Free Market Economy in Ghana**

Since Ghana return to multi-party democratic governance in 1992, successive governments have abided by the ‘Directive Principles of State Policy’ which mandates governments to create the conditions necessary for a free market economy. The relevant texts of Article 36(1, 2a-c) of the Constitution directing governments to create a free market are as follows:

(1) The State shall take all necessary action to ensure that the national economy is managed in such a manner as to maximize the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Ghana.

(2) The State shall, in particular, take all necessary steps to establish a sound and healthy economy whose underlying principles shall include -

(a) the guarantee of a fair and realistic remuneration for production and productivity in order to encourage continued production and higher productivity; (b) affording ample opportunity for individual initiative and creativity in economic activities and fostering an enabling environment for a pronounced role of the private sector in the economy; (c) ensuring that individuals and the private sector bear their fair share of social and national responsibilities including responsibilities to contribute to the overall development of the country.

All the democratically elected government under the fourth republic era have adhered to the above directives to create a free market in which private property is protected to enable the owners interact in a free market exchange. It can be argued that the policy decisions taken by government to convert the two organizations from the status of ‘Corporations’ to limited

liability companies in 1998, through the Statutory Corporations (Conversion to Companies) (Schedule Amendment) Instrument, 1998, L.I. 1648, was in the direction of enhancing their autonomy from government control and enabling them to be more competitive in the free market where they were expected to earn more profit for government.

In fact, the opposition New Patriotic Party (NPP) kicked against the policy decision to make the two media organizations become limited liability companies:

*Mr. J. H. Mensah, the Minority Leader in Parliament, said Graphic's new status would not only allow private individuals with their own political leanings and agenda to manipulate the company to their advantage, but it would also aggravate the inequitable access to The Graphic, a state-owned media.*<sup>8</sup>

In response to the fears expressed by the NPP, the management of GCGL stated,

*We hope that the nation will see the Graphic Communications Group Ltd not as a tool for the pursuit of any political agenda but as a business venture". It would be a "development-oriented organisation desirous of meeting the basic needs and aspirations of the people holding its own in highly competitive global information market.*<sup>9</sup>

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<sup>8</sup> Ghanaweb, "Graphic replies opposition parties," 18 January, 2000.  
<https://www.ghanaweb.com/GhanaHomePage/NewsArchive/Graphic-replies-opposition-parties-9367?channel=D1> (Accessed 3 July, 2019)

<sup>9</sup> *ibid*

The public policy decisions that converted the two corporations into limited liability companies enhanced the free market status of GCGL and NTC. The policy did not give preferential treatment to any of the two organizations. The primary concern of the government was meeting the IMF and World Bank conditions attached to the international financial support that the government needed badly to stabilize the economy (World Bank 1995, 1997a, 1997b). Interviews with officials of GCGL and NTC affirm that the free market environment created by government for GCGL and NTC pushed the organizations further into the “*highly competitive global information market*” that GCGL had anticipated.

This is what the respondent of GCGL shared:

*The world is changing so fast. I believe that we should diversify from our main product that is selling of newspaper to online platforms. Technology has changed the press.... We can set up TV station, radio station, journalism school; where some of the old staff can become lecturers to teach student so that we do not delineate from our traditional mandate. This is to make us survive in business.*

Another respondent at GCGL added:

*We purchase our printing machines ourselves. ...If the machine breaks down and we don't replace it, we will have to go and print elsewhere and pay for it. So it is better the company uses that money to replace the machine.*

A respondent from the NTC also had to say:

*We are in a very fierce competition. There are a lot of media organizations all over. We are all struggling to get the market. There is the need to recapitalize. That is our big challenge because our revenue is dwindling, we don't have that hard cash to go into the market and procure machinery.*

Another respondent of NTC commented on the negative effect of the “*highly competitive global information market*” on the organization as follows;

*The proliferation of other newspapers and social media has really worried us because if we print newspapers into the market and they are not bought it affects our revenue base.*

The practice of liberal democracy has helped to eliminate the barriers to speech and free market competition. That creation of the free market economy for the media however pushed GCGL and NTC into an environment where their survival came to depend more on making profit. In a free market, only profit-oriented management is bound to bring success. The study emphasizes that the transformation of the two organizations into companies was a necessary factor for the emergence of GCGL as a PoP. However, the creation of the free market did not put the NTC at a disadvantage. It gave NTC and GCGL equal opportunities.

#### **4.1.2 Creation of Public Organization with Focused Legal Powers**

Scholars of PoP argue that organizations that have focused comprehensive legal powers are more likely to emerge as a PoP because the legal powers give clarity and certainty to managers with regards to decision-making. Where the comprehensive legal powers grants a degree of autonomy to the organization, such formal-legal autonomy can be used to fight against government interference. The study investigated whether there existed any differences in the legal powers of GCGL and NTC.

The study found that prior to the conversion of GCGL and NTC into limited liability companies, the two companies had the same kinds of legal powers. The only difference that existed was the differences in their names. GCGL was governed by the Graphic Corporation Instrument, 1971, (L.I. 709) gazetted on 5<sup>th</sup> November, 1971. NTC was also governed by the New Times Corporation Act, 1971 (Act 363) assented to by the President on 9<sup>th</sup> July, 1971. Apart from differences in the names of the two organizations in the respective 1971 legal enactments, the legal enactments contain the same provisions concerning personnel recruitment, personnel welfare management, the organizational structure, and relationships with external stakeholders. There is nothing in the legal enactments to suggest that GCGL had a better focused legal powers than NTC, and vice versa.

It can therefore be concluded that it was not the nature of the focused powers of the organizations that enabled GCGL to emerge as a PoP. The content of the focused legal powers for the two organizations were the same prior to their conversion into limited liability companies. Further, the content of the Legislative Instrument (L.I. 1648) converting the

corporations into limited liability companies was the same for both organizations. Finally, following the conversion of the two corporations into limited liability companies, the governance structures of the new GCGL and NTC were regulated by the same Companies Code, 1963 (Act 179). Consequently, there is no difference in the focused legal powers of the two companies. The focused legal powers of GCGL therefore cannot be considered as the driving factor behind its transformation into a PoP.

The two focused public policy factors examined above – creation of ‘free market economy’ and ‘focused legal powers’ – are not the factors that caused the emergence of GCGL into a PoP while NTC struggled to become productive and profitable. The findings about public policy factors do not support the view of Lynn and Robichau (2013: 202) that “the most systematically influential factors remain the structures created by public policy processes and the administrative management they require and authorize.” In the context of this study, the causal factors for the emergence of GCGL as a PoP lies outside the legal and organizational structures created through public policies. The analysis examines next the role of performance-oriented management in shaping the fortunes of GCGL and NTC.

#### **4.3 Performance-oriented Management and the Emergence of GCGL as a PoP**

Grindle (1997) argued that the driving force behind the emergence of better performing public organizations in developing countries is the “organizational culture” created by the leaders of the organization through their management style and performance-oriented processes. This study used the term ‘performance-oriented management’ to capture the “shared set of norms and behavioral expectations characterizing a corporate identity”

(Grindle 1997: 482). The study analysis below the following four set of factors that constitute the performance-oriented management factors: (i) merit-based recruitment, (ii) inclusive leadership, (iii) task performance-orientation, and (iv) profit-oriented technology.

#### 4.3.1 Merit-Based Staff Recruitment

Selecting and recruiting competent personnel into an organization implies personnel have the requisite skills, knowledge, and experiences to execute their tasks (Leonard, 2008; Whitfield and Therkildsen, 2011; Roll, 2011). Many research findings about well-performing public organizations in developing countries suggest that such organizations differed from poor performing organizations in their mode of recruitment (Owusu 2006; Roll 2014). The research sought to find out the extent to which GCGL and NTC practiced meritocratic recruitment. We asked respondents to indicate whether or not they agree with the statement that their organizations “largely employ its staff on the basis of merit and professional competence.” The responses are presented in Table 4.6 below.

**Table 4. 6: Merit-based staff recruitment is largely practiced in the organization?**

Merit Based Staff Deployment	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	1	3.2	1	6.3
Disagree	4	12.9	2	12.5
Neutral	6	19.4	8	50
Agree	17	54.8	-	-
Strongly Agree	3	9.7	5	31.3
Total	31	100	16	100

**Source:** Field Data (2019)

The result above indicates that 64.5% of the respondents at GCGL either ‘agree’ or ‘strongly agree’ that employee recruitment is based on merit. In contrast, while 31.3% of respondents at NTC ‘strongly agree’ that employees are recruited based on merit, the overwhelming majority of respondents 68.7% either choose to be neutral in their response (50%) or disagreed with the view that merit-based recruitment largely exist in the organization. Therefore, there appear to be a stronger culture of merit-based staff recruitment at GCGL than at NTC. The distribution of the above responses seems to confirm the assertion of Owusu (2006) that good performing public organizations in Ghana differ from poor performing ones on the basis of meritocratic recruitment. Grindle (1997), Leonard (2010) and Roll (2014) also found that pockets of effective organizations usually practiced meritocracy which propelled productivity. We asked the respondents to indicate from four defined modes of recruitment how they were recruited into their organizations. Table 4.7 below presents the findings across the two organizations

**Table 4. 7: Mode of Respondent’s Employment**

	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Family	2	6.5	1	6.3
National Service / Attachment	8	25.8	4	25.0
Interviews and examination	21	67.7	11	68.8
Total	31	100	16	100

**Source:** Field Data (2019)

The mode of recruitment which was not selected by any of the respondents was the mechanism of recruitment ‘Through a political party connection’. The above findings suggested that GCGL and NTC employed the respondents by using almost the same channels. In both organizations, about 68% of the respondents claimed to have been recruited on the basis of competitive interviews and examination.

The respondents who were interviewed narrated how they were employed. This is what a respondent from the editorial department at GCGL had to say: *An advert was placed in the paper. I applied and went through the process and was employed.* Another respondent from the Account department at GCGL reinforced the fact that they are employed through interviews and/or examinations rather than through personal connections and patronage staffing. The respondent narrated how he/she got employed:

*That was in the year 2002 then I saw a Graphic advert for the position of management accountant, and I applied and I was called for interview. I didn't know anybody here. I got the job through just the Graphic advert and the interview. We believe in professionalism, competence and experience. I think we have among the best journalists. Also, when it comes to employment, we employ on merit. I was employed on merit. A lot of people are employed on merit. Since, I came here I have been on a lot of interview panels and we are always looking for the best who can do the job. Employees are employed purely based on merit.*

Also an editor at NTC narrated how he/she got employed:

*I came here to do my internship. As a student journalist, my output here paved the way for management to employ me. I was hard working throughout the internship period as a student. So immediately after completion, I was even in Bolgatanga my hometown when the then Editor told me there was vacancy and since I have worked here as an intern I stood the chance of getting the work. So I put in my application, attended the interview and God willing I sailed through.*

Although Nellis (2005) argued that many managers of SOEs in developing countries owed their positions to political ties and clientelism rather than technical competence, no respondents at GCGL and NTC was employed based on one's political affiliation. The Chief Executive (Managing Director) position is recruited through interviews conducted by the National Media Commission (NMC). The organizations do their own recruitment of employees to fill lower-level positions. An official of the NMC explained:

*We only employ the CEOs when there is vacancy in both New Times Corporation and Graphic Communications Group Limited. It is constitutionally mandated that we employ their CEOs. We advertise and interview shortlisted applicants. Then we employ the applicant who is successful. Even last week, we had an interview session for some prospective CEOs. We help them constitute their Board as well.*

The above findings suggest that GCGL and NTC do not differ much in their actual processes of staff recruitment. Political and family clientelism and patronage is not the norm in personnel recruitment at NTC and GCGL. For a SOE to be productive, procedures must be established to ensure that professional, competent, trained and skilled personnel are recruited (Rondinelli, 2005). The critical factor that differentiated GCGL from NTC as a pocket of productive organization does not appear to be their modes of recruitment practices. The modes of recruitment in the two organizations are similar.

#### **4.3.2 Inclusive Leadership**

Inclusive leadership is another important management factor which has been noted by some scholars to promote the emergence of good public sector performance in some countries (Pogason and Roll 2014). Hertog (2014), however, did not find it to be an important factor

for the emergence of well-performing SoEs within the Gulf Cooperating Council member countries. According to Roll (2011), inclusive leadership style denotes a leadership style whereby the leader of the organization communicates the organizational goals, mission and expectations explicitly to the staffs. The study asked respondents at GCGL and NTC to indicate the extent to which they agreed with the statement that “The Management practices inclusive leadership where the views of employees are considered in managerial decision-making”. The responses are presented in Table 4.8 below.

**Table 4. 8: Inclusive Leadership**

Inclusive Leadership	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	3	9.7	3	18.8
Disagree	3	9.7	3	18.8
Neutral	12	38.7	4	25
Agree	10	32.3	6	37.5
Strongly Agree	3	9.7	-	-
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.8 suggests that 42% of respondents at GCGL either agree or strongly agree that the management practices inclusive leadership where the views of employees are taken into consideration when decisions are made. At NTC, 37.5% respondents agree that they practice inclusive leadership while an almost equal percentage of respondents (37.6%) either disagreed or strongly disagreed. Using the mean scores to determine the central tendency of the responses to the statement reveal a big differences in the positions of employees across the two organizations. On a Likert scale of 1-5 where 1 is ‘strongly disagree’ and 5 is ‘strongly agree, the employees at GCGL lean towards ‘Agree’ (3.23) while the employees

either largely disagreed with the statement or were unsure (2.81) of the existence of inclusive leadership style of management. Interviews with some staff across the organizations threw more light on whether or not there existed inclusive leadership in the organizations.

During interviews, some officials at GCGL supported the view that the leadership or management practiced inclusive leadership. A respondent at GCGL stated:

*I will say to a very large extent it is quite inclusive. The Union is there, they are always at senior management meetings to share their positions, to share their views. In fact, sometimes management would have to go to the Union people to have an interaction with them first before policy decisions are arrived at.*

According to another respondent at GCGL,

*There is prudent management coupled with team work by the leaders of Graphic Communications Group Limited. There is more engagement between workers and leaders in Graphic Communications Group Limited.*

Probing further, the respondents were asked to give instances when the management of GCGL had included employees in decision making processes. A respondent narrated this:

*Every year we have meetings twice in a year with senior management. Sometimes too, the Board members will sit in and elicit our views and these views are taken. Views on health policy, views on clothing, views on transportation, even views on work ethics, diverse views are shared and then we can see that they are implemented. Even*

*with salary, junior management meets with senior management and negotiates, agree and then implement it.*

Another staff of GCGL affirmed that management considers their views in decision-making:

*We have representatives for the various facets of the organization. And then we have representations at the management level. So whatever decisions are taken, all the inputs within the organization are considered. I am a unionized staff so our Collective Bargaining Agreement (CBA) for instance, the union is represented. You know it is the umbrella organization for us the unionized workers. So the union represents the unionized staffs at such meetings so our interests are taken into consideration in the drafting and the agreement of the CBA.*

At NTC, on the other hand, it was rare to find an employee who agreed that there existed inclusive leadership in the organization. Many respondents who were interviewed stated that the management rarely involved employees or their representatives in decision-making. This is what a respondent said:

*Inclusiveness comes when there is trouble. That is when they take our views. But in their own free time there is divisiveness. We have durbars but it isn't whatever you say that they take. There are sometimes that our union representatives go and deliberate with management on some pertinent issues. What management will tell them is; there is no money to carry out such project, a viable project, no money.*

Another respondent of NTC stated:

*We have a union here called Joint Consultative Committee. Both the Union and management meet to discuss issues that may come up. There was a durbar recently comprising; staff and management. We raise issues concerning transport but the way management handled the issue didn't benefit everybody.*

At the time of data collection from the NTC, the organization did not have a substantive Managing Director but an acting Managing Director. The immediate past Managing Director of NTC had completed the four-year tenure of office which had witnessed a long period of bitter struggle between the Managing Director and the unionized employees.

The above findings suggested that many employees (42%) of GCGL tend to agree or strongly agree that inclusive leadership existed in the organization, than what the research found at NTC (37.5%). In both GCGL and NTC, less than half of the respondents supported the view that inclusive leadership existed in their enterprises. The emergence of GCGL as a PoP may have been facilitated by some moderate level of inclusive leadership. One cannot strongly support the view that inclusive leadership at GCGL had been a driver for the company's emergence as a PoP. Perhaps, the presence or absence of inclusive leadership does not matter much for the performance of profit-oriented SoEs as Hertog (2014) suggested.

### **4.3.3 Task Performance Orientation**

Grindle (1997: 481) found that “performance expectations contributed to positive organizational cultures in better performing organizations while some autonomy in personnel

management provided a facilitating context for these characteristics to be developed.” Positive employee task performance orientation has been found to be a strong factor in driving forward productivity and profitability, particularly in organizations that had the autonomy to reward exceptional performance or punish poor performance.

The study investigated whether or not there existed a difference in the task performance orientations of employees at GCGL and NTC. Do GCGL and NTC set task performance targets for their employees, evaluate performance, provide feedback on performance, and reward excellent performance while putting in efforts to improve poor performance? These key issues were explored. The respondents of the GCGL and NTC were asked to indicate their extent of their agreement to the statement that their organizations “has a performance-oriented employee management system”. The responses are presented in Table 4.9 below.

**Table 4. 9: Performance oriented employee management is practiced?**

Performance Orientation	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	-	-	4	25
Disagree	3	9.7	2	12.5
Neutral	2	6.5	4	25
Agree	21	67.7	6	37.5
Strongly Agree	5	16.1	-	-
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.9 above show that there is a big difference in the performance orientation cultures across GCGL and NTC. From the survey results presented above, 83.8% of respondents at GCGL either agree or strongly agree that GCGL has a performance-oriented employee management system. At NTC on the other hand, only 37.5% of the respondents agreed that a

performance-oriented employee management system existed; and there was no strong agreement from any of the respondents at NTC. The above results suggest that GCGL has a stronger performance-oriented management culture (with a mean score of 3.90) than NTC (with a mean score of 2.87). This descriptive statistical difference is reinforced by interviewed respondents at GCGL and NTC. A respondent at GCGL shared this view:

*We practice performance-oriented management here. I think it has positive effect on productivity because people know that when they perform well or at least better than the previous times or better than other colleagues, their assessment will be positive. Once you get the good marks, you will get good appraisal leading to your salary increment and we have merit increases as part of the salary increment.*

The above response suggests that performance-oriented management culture at GCGL is partly driven by financial incentives tied to salary increment of employees. An employee's end of year performance evaluation report determines a percentage of the salary increment in the following financial year. This is what a respondent shared to this effect:

*Salary increment is not a blanket increment. About 5% to 10% increment is reserved for merit increment. Before, we have the across board increment out of that somebody might get 2% to 6% increment. If your appraiser thinks you performed well, you will get some marks which will determine your percentage increment. Likewise, if your appraiser thinks you have not performed well, you will only be entitled to across board increment. Because of that people want to put in their effort to achieve their targets that they have been assigned. Every employee work to achieve the general/overall objective of Graphic Communications Group Limited.*

According to another respondent at GCGL, the financial incentive driven performance management system encourages the workers to work harder. The respondent explained:

*It encourages us to work harder. Because if by 3:00pm my pages are not done, I will need to double up so that my page can be done. Because when you are submitting the stories for a page, you record the time you are submitting the page. Imagine you are to bring the page at 5:00pm but you end up submitting it to the sub-desk at 7:00pm, you are late. The following day you have to explain. So the target is on us to work harder to look for extra news, additional news information; 24 hours your eyes, nose, ears are opened trying to get something out of the normal scheduled assignments. So performance target really guide us. It presses us to work harder because at the end of the day, we will be assessed. You will get A, B, C, or D depending on how much effort you put in throughout the year. So it really guides us to work harder.*

The above response suggests that the rules of the performance management system at GCGL are enforced by appropriate supervisors. Responses from GCGL were in positive dimension that performance orientation management system helps the enterprise to achieve the overall goal of profit-making. Management of the enterprise see to it that performance-oriented rules are enforced because each employees' remuneration is partly tied to it.

In contrast, interviewees and survey respondents at NTC indicated that the enterprise had a weak performance-oriented culture resulting in widespread 'absenteeism' and 'laziness' among workers. Supervisors at NTC seem to rarely enforce the organization's performance management system. To this effect, this is what a respondent shared:

*Yes, they set performance target. But who watches the watchman? The one supposed to monitor you is not doing the correct thing so who is right or wrong. So we are there. What would motivate us to work? Supposing there is breaking news at Kasoa (a town with a popular market center found on the borders of Central and Greater Accra region), there is no vehicle to take you there. And if I take trotro (public bus), before I get there the story is gone.*

Another respondent at the NTC had this to say about the performance management system:

*I must say that we also have a challenge with effective management. We work based on our conscience. In that case we try to do our best. And then at the end of the year you are appraised to either get a promotion or whatever.*

The poor performance management system at NTC had resulted in the creation of an unproductive working environment described by a respondent as follows: “*We pretend to be working and they also pretend to be paying us.*” This contrasts sharply with the situation at GCGL where workers actually work harder to merit pay increases.

Performance-orientation of employees is an area where the two state-owned media enterprises appear to stand in sharp contrast to each other; and, indicating that performance-orientation is a strong necessary factor for the emergence of GCGL as a PoE. The findings on performance orientation across GCGL and NTC support the argument of Leonard (2008) that good remuneration encourages and sustains employee performance in public organizations.

Performance orientation is enhanced through financial incentives and the ability of leadership to monitor the performances of employees.

The stronger performance orientation at GCGL and its weak presence at NTC do not appear to be caused by non-financial rewards or sanctions. Table 4.10 below shows that a greater percentage of NTC respondents shared the opinion that a positive job performance evaluation report could lead to promotion. That notwithstanding, employees at NTC did not take the performance management system seriously compared to employees at the GCGL.

**Table 4. 10: Positive job performance evaluation report lead to my promotion**

	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	2	6.5	-	-
Disagree	4	12.9	1	6.3
Neutral	4	12.9	2	12.5
Agree	12	38.7	8	50
Strongly Agree	9	29.0	5	31.3
Total	31	100	16	100

**Source:** Field Data (2019)

The findings from Table 4.10 indicate that 67.7% of respondents at GCGL and 81.3% of respondents at NTC believed that a positive performance assessment could lead to job promotion. Paradoxically, employees at NTC took the performance management system less seriously than employees at GCGL. The reason for this paradox goes beyond the absence of punishment for employees who did not perform their job. Table 4.11 below shows that less than half of the respondents in GCGL and NTC did not also believe that a negative job performance evaluation report would lead to dismissal from the organization.

**Table 4. 11: A Negative job performance evaluation report could lead to my dismissal**

	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	-	-	1	6.3
Disagree	6	19.4	2	12.5
Neutral	10	32.3	7	43.8
Agree	11	35.5	3	18.8
Strongly Agree	4	12.9	3	18.8
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.11 suggests that negative job performance evaluation reports have not been a strong basis for the dismissal of employees in the two state-owned media enterprises. This explains why 51.7% of respondents at GCGL and 62.6% of respondents at NTC did not support the view that a negative job performance evaluation report could lead to their dismissal from the organizations. This does not mean that negative job performance evaluation is never used as a basis for dismissal from the organizations. Interviews with officials in the two organizations suggested that an employee who consistently gets negative job evaluation reports could be dismissed from the organization. A respondent at GCGL stated:

*If you continue going against the company, there will be punitive action against you. Either suspension, one month or two months salaries taken away or you won't get your promotion when you are due.*

Another respondent at GCGL who believed that dismissal is “the last resort” when it comes to poor performance of an employee had this to share:

*There are rules. If the employee has bad performance consecutively for about three years, it is stated, he may be sacked. If you perform badly once, they may warn you,*

*second time there will be another warning. But the third one, you may be sacked. Dismissal is always the last resort.*

The above responses at GCGL suggest that dismissal for poor job performance is activated only when an employee has consistently demonstrated poor attitude towards work over a number of years. Another respondent at GCGL supported this view as follows:

*I have never experienced anyone been dismissed because of lack of satisfactory performance. But if that happens they try to find out the reasons for ones under performance. And they will try to work at it. But if it becomes regular then probably some actions will be taken against you.*

Responses from the respondents at GCGL pointed in the direction that the performance management system of GCGL is not oriented towards relieving poor performing employees from their jobs. Dismissal of employees for negative job performance appears to be the exception rather than the norm at GCGL. GCGL responds to poor job performance by organizing or arranging further job training for poor performing personnel to improve relevant knowledge and skills. In this regard, a respondent of GCGL stated the following:

*We are not the type of people that want to be dismissive when somebody is not doing well. We try to encourage the person. Leadership by example is always very important. If you see your line manager is a leader by example it will encourage you to perform better. If you are still not performing well they will try and re-train you. If all these are not working, then you will be transferred from your department to another. For instance, if you are a journalist, you may end up at the transport*

*department as an administrator. May be if you go there you will be fit for purpose. If you are unable to function there, you may go to the library to go and help with library management, research and all of that. Probably you will be fit for purpose there.*

Meanwhile, some respondents at NTC believe that dismissal of employees for negative or poor job performance evaluation had been the hallmark of their performance management system. In response to the question on whether poor job performance could lead to an employee's dismissal from NTC, a respondent had to say:

*That is something the Corporation does faster than seeking the welfare of the workers. They are quick to dismiss but slow to solve problems. As for dismissal, they don't joke. The dismissal letters are already there. What is left is the signature and the date. They will just print it from the computer.*

The survey findings points to the fact that a slightly higher percentage of respondents at NTC (18.8%) 'Strongly Agree' that negative job performance could lead to dismissal than is the case at the GCGL (12.9%). But the results suggest that the majority of respondents in both organizations do not support the view that their performance management systems are oriented towards quick dismissals of employees for negative job performance.

The exact differences in the performance orientations of the NTC and GCGL with regards to employee job target setting, employee job evaluation, employee job performance feedback, and employee job target achievement are presented in Table 4.12 below.

**Table 4. 12: Employee Performance-oriented management at NTC and GCGL**

	GCGL			NTC		
	Percentages (Number of Respondents 31)			Percentages (Number of Respondents 16)		
	2018	2017	2016	2018	2017	2016
<b>I had a job performance target</b>						
Yes	100	90.3	83.9	68.8	31.3	18.8
<b>My job performance was evaluated</b>						
Yes	100	90.3	83.9	62.5	31.3	18.8
<b>I received feedback on my performance</b>						
Yes	90.3	90.3	80.6	56.3	31.3	12.5
<b>I achieved my job performance target</b>						
Yes	90.3	83.9	80.6	50.0	25.0	12.5

**Source:** Field Data (2019)

The findings in table 4.12 above show that employee performance orientation from 2016 to 2018 is stronger at GCGL than NTC in every aspect of the performance management process. In both organizations, however, there has been consistent improvement in employee performance orientations. In 2016, only 18.8% of the respondents at NTC had job performance targets set for them compared to 83.9% at GCGL. By 2018, the situation at NTC had improved to 68.8% while at GCGL every respondent had a performance target to achieve. In a similar trend, in 2018 every respondent at GCGL had his or her job performance evaluated while at NTC performance evaluation was 62.5%. In both organizations, performance feedback to employees always fell below evaluations. However, GCGL took employee job performance feedback more seriously than at NTC. In both organizations, not everyone who had a job performance target and was evaluated achieved

their performance targets. This seems to suggest that the respondents were honest in their responses about their performance achievements.

The findings suggest that the high level of performance orientation at GCGL compared to the NTC could be a strong factor accounting for its emergence as a PoP. In a reflection of the situation at GCGL at the time of data collection, a respondent at GCGL had this to say:

*Every employee has job description. Performance is based on the job description of the workers. For us in the newsroom for instance, we are expected to produce this paper (pointing at the Daily Graphic newspaper on his desk). Therefore in a given month for instance, we can say we expect exclusive stories from you. So in a month one can produce four exclusive stories which mean that no other media house has that story. That is what we call exclusive stories. Can you give us about four in a month besides let's say doing about 20 of everyday events stories which means that that one can possibly read it on another media institution.. But besides producing the paper also, there is the target of timelines.*

Another respondent at GCGL added:

*At the end of the year, an assessment form is brought to us; we set out targets with our line manager and should conform to the general targets of the company. So we set the target to determine what we should do. For instance, we want to sell the paper, what measures should we put in place to ensure that people buy the paper. And we have timeline within which we have to finish our works. For instance, by 5:00*

*to 5:30pm my page must be on the desk of the Night Editor. When we finish with a page, the page editor would send it to the Designer. The designer designs the page, then it will go to the Night Editor. He will look at the headline, the date and everything then he will ok it and process it for printing.*

The management of GCGL gives feedback on job performance to employees. From the survey responses, employees of GCGL have witnessed feedbacks from management as to whether they are meeting their target or not. A respondent at GCGL said:

*As part of the appraisal form, we attach the upcoming year and even early part of the year, if there is a need to review anything. In the middle of the year, around June/July if there is a need to do mid-year appraisal, it is done so that you don't wait for the end of the whole year to be appraised. So there is a lot of feedback. Once the appraisal itself is done your boss gives it to you for comment on whether or not you agree to what is written about you. Sometimes, employees can refuse to sign the form if they disagree with the assessment from their bosses. If you feel strongly that you don't agree with the assessment from your boss, you can appeal to the HR and it would be looked into.*

Interviews with employees at NTC suggested that many departments do not directly give individual performance feedback to employees as a norm. Supervisors and managers at NTC usually used staff durbars to give performance feedback to employees. In this regard, a respondent at NTC shared the following:

*They give feedback. We attend durbars occasionally and they appraise us based on our performances. Management gives us feedback at the durbars. When you receive average then you are told to sit up. In January I was called. One-on-one too*

*management can call and tell you where you have faulted. This is where you must improve. It keeps you on your toes.*

The higher level of individual performance feedbacks given to employees at GCGL could have contributed to improving productivity and profitability over the years. Table 4.13 below also shows that in 2018 all employees at GCGL had their supervisors involved in the process of job performance evaluation. At NTC, in contrast, only the employees in the editorial department could tell who evaluated their performance.

**Table 4. 13: Who within your organization evaluated your job performance?**

Who within your organization evaluated your job performance?	GCGL			NTC		
	2018	2017	2016	2018	2017	2016
Editorial Manager	2	2	2	3	3	3
Director of Finance	6	6	6			
Director of Marketing	1	1	1			
Procurement Manager	2	2	2			
Audit Manager	5	5	4			
Corporate Communication Manager	2	2	2			
Assistant Sales Manager	2	3	3			
Director of Human Resource	2	3	2			
Others (Line manager, my boss, advert sales manager, Head of proof-reading, etc)	9	6	6			
Total	31	30	28	3	3	3

**Source:** Field Data (2019)

The findings in Table 4.13 above suggest that enhancing individual-level task performance orientation partly depended on the involvement of immediate supervisors in performance appraisals. Meanwhile, at NTC a respondent described the performance management system as one where many employees and their supervisors cared little. The respondent noted:

*Here in New Times Corporation, that kind of I don't care system is dominating here.*

*Our duty is to gather news, I have written my stories. I am done. As to do who do*

*what and even the next person to do what is expected of him or her will also relax because the other person hasn't done it. As for motivation, it is out. We are just hoping that one day Christ will come down and things will change. They don't care about staffs forgetting that without staffs there will never be management.*

The findings seem to suggest that the stronger performance orientation at GCGL is partly due to the link between employee appraisal and financial incentives. Table 4.14 below shows that the employees of GCGL reported earning higher salaries than employees of NTC.

**Table 4. 14: Range of Salary Respondents**

Range of Salary	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
< 1000	2	6.5	1	6.3
1000 – 2499	12	38.7	13	81.3
2500 – 3999	6	19.4	-	-
4000 – 5500	2	6.5	-	-
5500+	7	22.6	-	-
Unreported	2	6.5	2	12.5
Total	31	100	16	100

**Source:** Field Data (2019)

Table 4.14 indicates that none of the respondents earned salaries above 2499 Ghana cedis, while 48.5% of respondents at GCGL reported salaries ranging from 2500-5500+ Ghana cedis. It seems that improvement in performance orientation is linked to the payment of higher salaries to deserving employees as profitability or productivity increases. This makes the employees to work harder. A respondent at GCGL commented,

*Yes, you have to work to merit your promotion. You have to work hard. You will be promoted when the time comes because you have shown that you can work hard given the opportunity to do so, hard work really pays.*

The financial incentives given to GCGL employees in the form of performance-based salary increments tends to make the workers put in hard work. The higher salaries is also likely to attract more high quality personnel into the enterprise. In contrast, a respondent at NTC commented, *“If not for the absence of assurance of getting a new job, some of us would have long left the Corporation.”* This reinforces the argument of Leonard (2008) and Booth (2011) that good remuneration ensures high productivity of organizations, and a key driver for the emergence and sustenance of a PoP. Low salaries at NTC demotivated the employees to put in more effort. Moreover, low productivity at NTC did not assure the workers that positive performance evaluation reports would lead to higher salaries and better conditions of work. The overall findings on the performance-oriented management cultures at GCGL and NTC appear to reinforce the argument of Grindle that performance-oriented culture accounts for the difference between poor performing and good performing organizations. The findings also lend some support to the claim of Owusu (2006) that remuneration plays a major role in differentiating between poor and good performing organizations in Ghana.

#### **4.3.4 Profit-Oriented Technology**

The acquisition of advanced technology is at the heart of the business operations of many SoEs. The study therefore investigated whether access to technology played a role in creating the productivity gap between GCGL and NTC. The study found that the acquisition and

deployment of modern printing technology by the GCGL has set apart the quality of its newspapers in the print media sector. The 2016 SoE which described the GCGL as a model of “sustainable value creation” also noted the company’s technological progress as follows:

*Throughout this period, the company [GCGL] kept improving on its print quality by buying the state-of-the-art press of the time. It started in 1950 with the letterpress printing technology, which was the printing technology available at the time. Again, in 1995 Graphic led the newspaper industry in Ghana with an upgraded version of the web offset colour machine, the Heidelberg Harris press. In 2011, the company again changed its printing machine with the installation of the KBA Comet press, which is the first of its kind in Ghana. The KBA Web offset and other ancillary infrastructure, which cost GCGL 10 million dollars, can print 75,000 copies per hour in full colour. Alongside the installation of this printing machine, the company also switched from the printing technology that required the use of films to one that requires no film, which is technically called computer-to-plate (CTP).*

The acquisition of the KBA Comet press which has a capacity for both newspaper and book printing ensured that “printing time is reduced” and production capacity increased (GCGL 2011, 2012). At the time of acquisition of the KBA Comet press, GCGL was “one of the only three companies in Africa that use this modern press” (GCGL 2011: 11). In the 2011 annual report of GCGL, the company described the acquisition of the KBA Comet press as “the result of a well-calculated strategy to remain leader in the newspaper industry. The company ensures that it is always technologically ahead in the industry in Ghana” (GCGL 2011: 11). A respondent at GCGL explained why the company is ahead of its competitors as follows: A

respondent said that “*here, we have G-PAK; we go into commercial printing to meet the expectations of customers.*” The acquisition of profit-oriented advanced technology by GCGL has enabled it to expand its customer profile and profits.

In using advanced printing technology, GCGL’s services covered “Skillets (pharmaceutical boxes, soaps, tea boxes, and custom made boxes); Labels (we are able to print all kinds of labels on self-adhesive paper, polypropylene and paper) Commercial printing (newspapers, magazines, books, annual reports, calendars, directories, brochures, newsletters, leaflets, stationery, folders and all other print related materials” (GCGL 2012: 19). GCGL won “an array of international awards, including the prestigious Arts Gallery Awards in the USA for Best Quality Print” (2012: 19). GCGL also gained “a customer base of both local and multinational market leaders with very high visibility in the food, beverage, detergent, pharmaceutical and personal products industries” (GCGL 2011: 11). GCGL has remained ahead of its competitors, particularly NTC, in the newspaper industry in Ghana.

Explaining the reasons for the difference in profitability between GCGL and NTC, an official with the National Media Commission (NMC) had this to say:

*Ghanaian Times newspaper has been facing challenges. They normally complain about their printing machines. Their printing machines do not print the quality papers the market demands. When you look at Graphic (showing me the pictures in Daily Graphic on her table) the picture quality is good. They also have more pages as compared to Times. Many people place their advert with Graphic because of their*

*picture quality. Recently, I heard advertising on a full page costs Ghc8,000 but people still advertise with them. Why? They serve the market the quality needed.*

The acquisition of advanced customer-oriented technology by GCGL, and continuous improvement in production technology to gain first-mover advantage in the printing industry, has significantly contributed to the financial and organizational success story of GCGL. In contrast, the NTC is still stuck with low quality machines that experience frequent breakdowns. A respondent at NTC commented about the situation as follows:

*Our print out are not good. If we get a good printer it will be fine. It is better than some few years back but we still need to improve. When you compare our newspaper to Graphic, Graphic is a bit bulky and is of more quality and ours is small. That also account to some of the reasons why we don't sell that much.*

Market-oriented technological advancement at GCGL has contributed to its sustainability as a PoE. In 2017, the Board of Directors and the Managing Director at NTC decided to print the Ghanaian Times Newspaper at the GCGL printing press. This decision contributed to many days of strike actions and demonstrations by workers at NTC who felt that their leaders were taking the NTC in the wrong direction. An employee at NTC who participated in the demonstrations explained the reason for the opposition from the employees as follows:

*"We pay GHc117,000 to Graphic to print our papers every day, that huge amount is paid to them every day just to print our papers. Things are not working for us here at Times, we have appealed to them to reduce the cost of printing at Graphic but they*

*are not listening to us. New Times Corporation is like a gold mine but they are not managing it well. They are creating the impression as though things are working well, but how can you rebrand and still go and print your paper with a competitor?”<sup>10</sup>*

The above reaction from NTC workers suggests that the employees were more concerned about the success of GCGL than they were about the demands of the market for quality newspaper prints. The four-year tenure of office of the Managing Director ended in January 2019, and a new substantive Managing Director was appointed for NTC in August 2019. It remains to be seen how the NTC will solve its backward technological challenges to reach the level of printing quality achieved by its competitor, the GCGL. This study has found that profit-oriented technological acquisition and deployment is a necessary factor for the emergence of a PoE in the profit-oriented and competitive sectors of state-owned enterprises. The findings also suggest that differences in profit-oriented technological acquisition is a strong factor behind the emergence of GCGL as a PoP.

Roll (2014) argued that technology is a “non-necessary” factor for the emergence of a PoE. The above findings show that the same argument cannot be said of a profit-oriented enterprise that operates in a highly competitive market. In developing countries, non-profit oriented public organizations may function and emerge as a PoE with little deployment of advanced technology in the delivery of services. But profit-oriented SoEs in highly competitive markets certainly need to make use of advanced technology to constantly

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<sup>10</sup> <https://www.modernghana.com/news/804503/new-times-corporation-boss-carol-annang-back-to-work-after-p.html> (Accessed 1 August 2019)

improve the quality of their products to stay competitive. The findings support the view that “consumers of public services are more demanding about quality and flexibility in service delivery” (Talbot 2005: 8). Competitive markets thrive on technological innovations.

#### **4.4. Organizational Proactivity**

In all the cases of PoE presented by Roll (2014), the evidence supported the view that organizational proactivity in negotiating ‘operational autonomy’ was a critical factor. Grindle (1997) had also argued that organizational autonomy facilitated performance-oriented organizational culture. Organizational outreach to clients also seemed to be a necessary factor for the emergence of some well-performing public organizations. This study explores in turn the role of organizational proactivity in the emergence of GCGL as a PoP.

##### **4.4.1 Operational Autonomy**

This theme seeks to find out the extent of independence of the GCGL and NTC from government political interference. As Roll (2011) argued, public agencies with operational autonomy often emerge as effective organizations. Respondents at GCGL and NTC were asked to indicate whether or not they agree with the statement that their respective organization “has managerial autonomy from Government political interference”. The responses are presented in Table 4.15 below.

**Table 4. 15: The organization has autonomy from government interference**

Autonomy	GCGL		NTC	
	Frequency	Percentage	Frequency	Percentage
Strongly Disagree	5	16.1	3	18.8
Disagree	3	9.7	3	18.8
Neutral	9	29.0	2	12.5
Agree	12	38.7	8	50
Strongly Agree	2	6.5	-	-
Total	31	100	16	100

**Source:** Field Data (2019)

It is interesting to note that half of the respondents at NTC (50%) agree to the statement that their organization has operational autonomy from government interference; but, less than half of respondents at GCGL (43.2%) either strongly agreed or agreed that GCGL has operational autonomy from government political interference. Of course it is important to also note that no respondent at NTC strongly agreed to the statement that the organization enjoyed autonomy from government interference, compared to GCGL where only two respondents strongly agreed. The above finding raises some questions about the role and nature of organizational autonomy in the emergence of a profit-oriented PoP.

Verhoest et al. (2004) suggested that researchers should examine how different dimensions of organizational autonomy (legal, financial, managerial, structural, policy) matter for organizational performance. Both GCGL and NTC had been granted financial and legal autonomy which facilitated technological acquisition at GCGL, but it is important to find out whether such autonomies extended to the editorial rooms where the newspapers are problems. Do governments influence the two state-owned media enterprises to paint positive stories and cover up negative stories about government? Such issues were investigated.

Knowing that Ghana's context is characterized by the politics of 'competitive clientelism' (Appiah and Abdulai 2007), operational autonomy was important for the production of objective and credible newspapers that customers across different political parties valued. In an interview with a newspaper vendor, he pointed to lack of political autonomy at NTC as a major cause for low customer patronage of the NTC's flagship newspaper 'Ghanaian Times'. The newspaper vendor stated his views as follows:

*People buy Daily Graphic because that is when they can be assured of genuine news. People claim the State papers are affiliated to political parties. People don't like certain papers because it doesn't tell what is supposed to be told. Most people do not like newspapers that are political and [Ghanaian] Times is regarded as such. People are interested in knowing what is hidden from them. So they demand for papers that can tell them what is hidden. And you see, [Ghanaian] Times is directly from the government. Graphic is not. Every government comes and is able to dictate to Times [NTC], but at Graphic [GCGL] it is the people.*

The view of the vendor suggests that there exist widespread perception among newspaper customers that NTC lacks political autonomy from government to produce credible newspapers. The findings reveal that government finds it more difficult to interfere in GCGL's operational autonomy due to GCGL's financial autonomy from government subvention. Due to its financial autonomy, GCGL is insulated from undue executive pressure and political patronage staffing. Employees of GCGL emphasize that their company has never been granted financial support by government since its creation. In a response to the

question on whether GCGL had organizational autonomy from government political interference, an official from the Account department of the GCGL stated:

*Autonomy from government interference? Yes, not 100 percent but to a greater extent like 80 to 90 percent. I would say I don't see too much political interference although I am not with Editorial to know what goes on there. Because, if there would be any political interference it might be hitting the editorial staff, as an editor they might be pushing you to put a story on the front page or somewhere that it might not necessarily sell. I will say for a fact, there is no political interference.*

Another official from the Finance department at the GCGL said the following:

*We take decisions regarding operations without consulting the government. Although government is the main shareholder of Graphic Communications Group Limited, management is purely independent from government. The independence enables the company to transact business to earn returns to pay employees and pay dividend.*

A number of respondents at the editorial department of GCGL stated that GCGL is an autonomous enterprise that takes its own decision without consulting the government. Many respondents emphasized that GCGL is a state enterprise but it does not choose its stories based on political criteria but rather its stories are chosen based on their merit. An official from editorial department of GCGL stated:

*Government can't tell us to do this and do that. We go to conference every day to select stories that will be put on the front page and the back page. The sub-Editor can suggest the news to be on the front page, but another Editor can counter so if you are*

*able to advance your argument to why that story should be put on the front page, it will be changed. So the government cannot come and tell us that the President is attending a dinner so he should be on the front page. Stories here are treated on their own merit.*

Another official from the Editorial department of GCGL also said:

*The [1992] Constitution insulates us from governmental control so we are independent but then we work with the state because we are a state owned institution. But to the extent that we generate our own content, there is no state influence so we are independent but we also ensure that whatever we do aligns with the state policy.*

In spite of the positive claims for operational autonomous, the survey responses have suggested that less than half of the respondents at GCGL support the view that the organization enjoyed autonomy from interference by powerful politicians.

At the NTC a respondent from the Editorial department of the NTC also added:

*The independence is on paper. We don't have absolute independence. There is nothing like independence absolutely. You can only get freedom to operate in your yard. But if President or any Minister says this....., you must abide by it. Else your job is on the line. So for independence, it is out.*

The above respondent narrated some instances of government interference at NTC. According to the respondent at NTC,

*Sometimes the story may come out and if there is story seriously against the government, we fear to publish it. So where then lays the independence? You will be force to abide by the whims and caprices of government. We only have independence in the room but what comes out...you don't know what will happen to you if something serious against the government comes out into the public domain. So sometimes you will get a story and the Editor or the Managing Director would decide to shield the story.*

Another respondent AT the editorial department of the NTC said:

*As for the political interference, it is always there because the government wants their activities to be highlighted. So the politicians will come and see the Editors and management on mutual basis that they have some activities which they want to be highlighted. For example the Ministry of Information, every week it organizes a press conference to highlight the activities of the government so we send reporters there to go and listen and bring the report. It is a form of highlighting government activity. On the other hand, there could be a story may be damaging to the government, they can come to make an understanding with the management that they don't want that story to come out. There could be a mutual understanding between them and the story won't be published.*

The findings suggest that GCGL suffers less interference in its publications compared to the NTC. While the leadership of GCGL uses its financial autonomy from government to

negotiate operational autonomy in other aspects of management. In contrast, NTC over reliance on government for financial support and this undermined the company's quest for operational autonomy in editorial decision-making. A respondent of NTC said that "...we are state owned, we have to rely on government. We have to push government or make a case for government for a loan or to guarantee us to recapitalize." A respondent from NTC still placing emphasis on government financial support said, "We are state institution, we are in distress so government should also help us to recapitalize."

The above responses from NTC therefore correspond with the argument that a state-owned enterprise that lack financial autonomy will find it harder to win further autonomy in management decision-making. Overall, stronger operational autonomy at GCGL, particularly in the editorial department, might have contributed to the ability of GCGL to sell more of its newspapers than the NTC. There is the need for more research into how each of the diverse dimensions of organizational autonomy contributed to the emergence of GCGL as PoP in the among the state-owned media industry.

#### **4.4.2 Market Outreach**

Organizational outreach and cooperation has been found to be a necessary factor for organizational effectiveness and productivity where the organization delivers goods and services across a broad geographical territory outside its core headquarters (Roll 2014). In the context of newspaper production and sale, GCGL and NTC sell the newspapers through newspaper vendors. The study therefore investigated the extent to which the two companies reached out to the newspaper vendors to build their capacity or motivate them.

Newspaper vendors create the channel through which the newspapers reach the customers. Newspaper vendors are the first line of clients for both GCGL and NTC in the sale of newspapers on the market. From interviews conducted with officials of the two organizations and newspaper vendors, it emerged that GCGL has been reaching out to the newspaper vendors more than NTC does. GCGL had identified newspaper vendors as a strategic partner in reaching out to the market.

Interviews with newspaper vendors suggest that the GCGL regularly reaches out to the newspaper vendors to motivate the vendors to sell the newspapers. A newspaper vendor who has been in the business since 1962 had to say:

*We receive commission on the sale of the newspapers. Each paper is Ghc2.50. Our commission is 0.50pesewas on each paper. So if we are going to the Corporation (both Graphic and Times) we pay Ghc2.00 and keep the 0.50pesewas as our commission. That is how it is. Aside the commission given to us, Graphic does motivate the vendors. Graphic organizes end of year party. Graphic calls the vendors to the end of year parties. Sometimes they (Graphic) give calendars to vendors as a way of motivating them. Times does not do anything like this at all. Ghanaian Times newspaper doesn't do anything like this.*

Another newspaper vendor who has been in the business for over 5 years also stated:

*For the Graphic, sometimes at the end of the year they do some party for us. They calls us through our association, Graphic has Vendors Association. They organize party for us through them.*

When asked whether NTC does same, the newspaper vendor said “*I have never experienced anything like that from them.*” A respondent at NTC confirmed this finding as follows:

*The vendor who sells on the street needs to be motivated but management is not able to do certain things. When you talk to the vendors, they will tell you things that Daily Graphic and Daily Guide do for them, we are not able to do it. We have been partners with the vendors for a very long time so they need to be motivated. For instance, tomorrow morning when you are by the road, you take time and look at those who sell the papers. They display Graphic on top of Ghanaian Times so at the end of the day which one would you buy?*

Reaching out to the newspaper vendors and motivating them have resulted in the vendors developing a sense of belonging to GCGL as business partners. The vendors are motivated to priorities selling the ‘Graphic’ newspaper. Newspaper vendors interviewed at different locations within Accra indicated that NTC does not motivate newspaper vendors. GCGL’s strong market outreach to newspaper vendors may have contributed to GCGL capturing a bigger share of the market than NTC as seen in Table 4.16 below.

**Table 4. 16: Print Media National Audience Concentration in Ghana**

<b>Media Outlets</b>	<b>Percentage</b>	<b>Total Percentage</b>
Graphic Communication Group Limited	57.6%	State-owned media 72.1%
New Times Corporation	14.5%	
Western Publication Limited	18.9%	Private media 23.8%
The Business And Financial Times	4.9%	
Other print media outlets	4.1%	4.1%

**Source:** National Commission on Civil Education (NCCE) (2015)

According to the NCCE (2015), the state media controlled 72.1% of the print media industry in Ghana. However, GCGL controlled 57.6% of the print media coverage while NTC controlled only 14.5%. The dominance of the GCGL over the NTC and private newspapers can partly be explained by GCGL's market outreach strategy. Organizational outreach is a necessary factor for the emergence of a PoP where 'scale effectiveness' in the delivery of goods and services over a geographical territory outside the core headquarters is required. The print media industry certainly requires GCGL and NTC to achieve scale effectiveness through outreach and cooperation with newspaper vendors. No profit-oriented organization can emerge as an effective and productive organization if it does not reach out to its clients in the supply chain linking the organization and the market. GCGL outperforms NTC when it comes to reaching out to clients through whom profit is made from the sale of newspapers. It is therefore not surprising that GCGL has emerged as a PoP while NTC has not.

#### **4.5 Chapter Summary**

This chapter has empirically analyzed how public policy factors, profit-oriented management factors, and organizational proactivity factors played a role in the emergence of GCGL as a PoP from among the state-owned media enterprises. The analysis compared how the specific factors under the three broad categories of factors influenced the performance of both the exceptionally well-performing GCGL and the poor performing NTC. The comparative analysis has clearly shown that GCGL and NTC differ in their performance-oriented management styles and extent of organizational proactivity. There is no difference between GCGL and NTC with regards to their focused legal powers created for them to operate in the same free market economy. Public policy factors do not create a PoP on its own.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSION AND RECOMMENDATIONS**

#### **5.0 Introduction**

The study sought to explore the factors that have contributed to the emergence and persistence of Graphic Communications Group Limited as a pocket of productive state-owned enterprise within the print media industry in Ghana. Using the qualitative comparative research methodology, the study compared the exceptionally well-performing GCGL with the poor performing New Times Corporation to effectively highlight the differences in the dynamics of the factors that differentiate good performance from poor performance. This concluding chapter highlights the key findings of the study, the contribution to knowledge, and makes some research and policy recommendations.

#### **5.1 Summary of Findings**

Public policy factors, performance-oriented factors, and organizational proactivity factors have been found by scholars to differentiate exceptionally good performing organizations from poor performing organizations. The findings made in this study are summarized here.

##### **5.1.1 The Role of Public Policy Factors**

Public policies are necessary to create the mandate and structures of all public organizations. Public policies create the comprehensive legal powers and free market economy required by

profit-oriented state-owned enterprises to function. The study has shown that since the 1970s, governments have created the same legal powers and market conditions for both GCGL and NTC. The emergence of GCGL as a PoP in comparison to the poor performance of NTC cannot be attributed to differences in public policies. Government converted the two organizations from corporations to companies in 1998; but, GCGL has used its newly acquired legal autonomy more effectively to pursue profit-oriented initiatives in the same market conditions created by government.

The findings of the study therefore does not support the claim of scholars like Lynn and Robichau (2013: 202) who claim that “the most systematically influential factors remain the structures created by public policy processes and the administrative management they require and authorize.” In the context of this study, the claim is that causal factors that led to the emergence of GCGL as a PoP are to be found outside the legal and organizational structures created by government through public policies. Public policies determined the hierarchically ordered structures of governance but they did not determine exactly how GCGL and NTC managed internal and external organizational management activities.

### **5.1.2 The Role of Performance-oriented Management Factors**

Performance-oriented management factors necessary for the emergence of productive public organizations were identified to include merit-based recruitment, inclusive leadership, task performance orientation, and acquisition of technology for production.

Study found that both GCGL and NTC used similar personal recruitment processes. The two enterprises practiced a high level of meritocratic recruitment after government has appointed the Managing Directors for each organization through the National Media Commission. Therefore, it is not how GCGL and NTC recruited their personnel that led to difference in organizational performance in the market.

Significant differences however existed between the two organizations after the personnel recruitment processes have ended. GCGL and NTC differed in how they achieved task performance orientation of employees. The study found that GCGL set individual performance targets for almost every employee, appraised the performances of almost every employee, provided performance feedback to almost every employee, and used the performance results to partly determine salary increments. This motivated the workers at GCGL to work harder for financial reward. The study found that it is not the expectations for future promotion that motivated the employees to work harder because expectations for future promotion based on good performance was higher at NTC than at GCGL. The study supports the view of Owusu (2006) that remuneration matters in getting public sector employees in Ghana to perform better. However, this study found that creating performance-based remuneration system matter more for generating positive employee performance.

The study also found that almost every supervisor of employees at GCGL is involved in appraising staff performance. In contrast, the study found that the managers and supervisors at NTC did not take seriously the processes of employee performance orientation at the individual level. Few supervisors at NTC, particularly in the editorial department, were

involved in appraising employee performance. Therefore, the commitment of the supervisors and managers of organizations to employee performance appraisal appear to matter for good performance. Inclusive leadership in task performance orientation matters as much as inclusive leadership in decision-making. The study found that inclusive leadership in decision-making was weaker at NTC than at GCGL.

The study also found that there is high demand from the market for the use of advanced technology to produce quality coloured newspapers. The managers at GCGL used their financial autonomy to acquire the latest advanced technologies in newspaper printing to meet the demand of customers in the market. In contrast, the managers of NTC had not invested in the acquisition of advanced technologies demanded by the market. The study found that the investment in advanced technology by GCGL enabled the company to gain more revenue from their advertisement services while NTC relied more on simply selling the newspapers. Roll (2014) considered technological acquisition by organizations as a non-necessary factor for the emergence of organizations as a PoP. In contrast, the findings in this study suggests that the acquisition of appropriate technology by profit-oriented organizations like GCGL and NTC should be considered a necessary factor and not a 'non-necessary' factor.

The study therefore emphasizes that differences in the performance-oriented management cultures of GCGL and NTC partially accounted for the differences in their organizational performances. The findings therefore support the claim of Grindle (1997) that differences in organizational cultures in performance expectations and orientations matter for explaining differences in good and poor performing public organizations.

### **5.1.3 The Role of Organizational Proactivity**

Organizational proactivity in negotiating for operational autonomy as well as market outreach were found to be necessary factors for the emergence of pockets of productive organizations in environment where there is widespread political interference in the management of public organizations. The study investigated whether there were differences between GCGL and NTC in these two areas of organizational proactivity.

The study found that in spite of the transformation of the two organizations from the status of corporation to that of limited liability companies in 1998, at least half of the survey and interview respondents at GCGL and NTC did not support the statement that their organizations had autonomy from government interferences. Few respondents at GCGL strongly agree that there existed operational autonomy from government interference but none of the respondents at NTC had such strong agreement to the statement. The study therefore finds that the two organizations are yet to gain strong operational autonomy from government political interferences outside financial autonomy. Operational autonomy from government interferences do not appear to be the major driving force behind the emergence of GCGL as a profitable business venture compared to NTC.

With regards to organizational proactivity in market outreach to clients, the study found from interviews with newspaper vendors and organizational officials that GCGL reached out more to motivate newspapers vendors while NTC cared little about the welfare of newspaper vendors. Market outreach appears to have played a strong role in enabling GCGL to capture a greater percentage of newspaper customers than NTC. Getting a greater share of the market

undoubtedly was a necessary factor that contributed to the emergence of GCGL as a PoP compared to the NTC. This finding supports the view of Roll (2014) that organizational outreach is a necessary factor for achieving ‘scale effectiveness’ in the delivery of goods and services to customers outside the headquarters of a public organization.

## **5.2 Theoretical and Policy Contribution of the Study**

The study makes significant contributions to the renewed efforts towards the development of an acceptable theory public sector performance (Lynn and Robichau 2013). The findings also has implications for reforms efforts to transform SoEs in Ghana and other developing countries into more productive business ventures. The specific theoretical and policy contributions are expanded below.

### **5.2.1 Empirical and Theoretical Contributions**

The study makes remarkable contributions to efforts by scholars to develop a clear analytical framework that captures the role of public policy factors, performance-oriented management factors, and organizational proactivity factors in shaping the emergence of pockets of effective and productive organizations (Grindle 1997; Leonard 2010; Roll 2014). This study has contributed to understanding how specific variables under these broad factors matter for the emergence of profit-oriented SoEs in the media industry as profitable organizations. The findings of the study correspond to findings about the emergence of SoEs as PoPs in countries within the Gulf Cooperation Council (Hertog 2014). The analytical framework

developed also shares similar features with the framework developed by Roll (2011, 2014) for understanding the emergence of PoEs.

The study therefore makes a useful contribution to the theoretical and empirical literature concerned with understanding the factors that shape the emergence of PoE or PoP. Such empirical literature is almost lacking in the Ghanaian context which has so far being dominated by desktop research on PoE (Joshi and Ayee 2009; Ayee 2018). The study also contributes to the literature on understanding public sector management of SoEs in Ghana.

### **5.2.2 Contribution to Policy and Reforms of State-Owned Enterprises**

Various criteria have being used by scholars and practitioner to evaluate state-owned enterprise performances to identify “best practices” (Backhaus 1994; World Bank 2003). This study therefore contributes significantly to the efforts by public sector practitioners and reformers to uncover best practices of SoE management in the media industry towards the creation of better performing SoEs that generate profits for government. The understanding of the factors that shaped the emergence of GCGL as a pocket of productive enterprise can inform policy makers of the necessary strategies to consider in the formulation of policies and guidelines to make NTC and other state-owned media enterprises more profitable.

### **5.3 Policy and Research Recommendations**

Based on the findings and discussions made, this section provides recommendation towards the creation of PoPs among the state-owned enterprises in Ghana. It also provides research

recommendations towards a better understanding of the factors that impact on the emergence of pockets of effective and productive public enterprises in developing countries.

### **5.3.1 Operational Autonomy for SoEs should be Enhanced**

Both GCGL and NTC had been granted financial and legal autonomy which facilitated technological acquisition at GCGL. However, about half of the study respondents from the two organizations perceived that there was not strong organizational autonomy. It is recommended that government should grant more operational autonomy to the state-owned media enterprises to enhance their reach to customers who demand objective media reports on government activities. It has been well established that in the absence of operational autonomy in the administration of SOEs, higher performance cannot be assured. Hence, SOEs must be insulated from unnecessary interferences from the political elites.

This study support the recommendation by Verhoest et al. (2004) that researchers should examine how different dimensions of organizational autonomy (legal, financial, managerial, structural, policy) matter for the emergence of pockets of effective and productive organizations in contexts of widespread political patronage and clientelism.

### **5.3.2 Promoting Task Performance Orientation**

Task performance orientation at GCGL depended greatly on managers and supervisors being committed to setting performance targets, evaluating performance, providing feedbacks, and using performance results for rewards and sanctions. It is recommended that SoEs that seek to improve performance oriented should ensure that organizational are committed to all the

processes of performance management. However, getting commitment is unlikely to happen if performance results are not used to determine, at least partly, employee remuneration.

### **5.3.3 Acquisition Profit-Oriented Technology**

The acquisition of technology demanded by customers in the market propelled GCGL in getting more customers and increasing its profits. The absence of similar technology at NTC has affected the ability of NTC to increase its profit from the market. It is recommended that SoEs should be provided with profit-oriented technologies demanded by the market in order to improve the productivity and profitability of SoEs. If market outreach is improved in the absence of market-demanded technology to satisfy customers, market outreach will amount to waste of time and energy. SoEs should therefore be encouraged to use their financial autonomy from government to invest more in the acquisition or profit-oriented technologies.

### **5.3.4 Inclusive Leadership in Management Decision Making**

Finally, it is recommended that the management of SoEs must be oriented towards inclusive leadership to promote greater collaboration between managers, supervisors, and other employees in advancing the organizational goals. There must be inclusiveness in management decision making whereby employees can without restrictions voice out their views in regards to performance issues. The views of employees must also be used to inform decision-making by the organizational leaders.

#### **5.4 Conclusion**

This research has empirically examine the public policy factors, performance-oriented management factors, and organizational proactivity factors that contribute to the emergence of pockets of productive public organization within the media industry in Ghana. Comparing the case of the better performing GCGL to the case of the poor performing NTC has helped to show the limits of public policy factors in generating pockets of effective and productive public organizations in a developing country context. The study has shown that beyond government public policies, greater emphasize should be placed on developing performance-oriented management systems and cultures to take advantage of public policies intended to enhance public sector performance. Public policies cannot on their own produce a better performing public organization. Public policies require performance-oriented and proactive managers, supervisors and other employees to bring about exceptional organizational performance. The study has also shown that improving organizational effectiveness and productivity require the enabling force of advanced technologies to meet client and market demands for quality goods and services. In sum, the interaction of public policy factors, performance-oriented management factors, organizational autonomy and market outreach is what determines the emergence of exceptionally effective and productive public organizations. However, it seems that the most systematically influential factors remain the creation of performance-oriented management culture and organizational outreach that lie beyond the enactment of appropriate public policies by governments.

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## **APPENDIX**

### Appendix 1

#### **Interview Guide for respondents at GCGL and NTC**

This interview guide is from Isabella Mawuena Koto, a student pursuing an MPhil Public Administration at the University of Ghana Business School (UGBS). The interview guide is designed to gain information about the reasons that have led to the emergence of Graphic Communications Group Limited as a pocket of productive state-owned enterprise in Ghana. A Pocket of Productive state-owned enterprise refers to a state-owned enterprise that is able to make profit from the sale of goods and services over a period of time within an environment where other state-owned enterprises performing similar activities have been unable to make profit. Please assist by giving honest responses to the questions. All information provided will strictly be used for research purposes only. Your consent to participate in this study is voluntary.

#### **BACKGROUND TO THE STUDY**

The public sector in developing countries is typically described by scholars as inefficient and ineffective. Recently, researchers have discovered that there exist pockets of productive public agencies within an environment where many public agencies are failing to function effectively. Table 1 below shows that among the state-owned enterprises created in the communications sector, the Graphic Communications Group Limited (GCGL) has been profitable and paying huge dividends to Government. My research seeks to understand the case of the GCGL by doing a comparative analysis with the New Times Corporation (NTC). The research seeks to find out the specific factors that have led to the emergence of the GCGL as a pocket of productive state-owned enterprise compared to the NTC.

**Table 1: 2017 State Ownership (Communications Sector)**

Public Enterprises in the Communications Sector	Dividend Paid Per Year (GH¢)					
	2012	2013	2014	2015	2016	2017
Ghana Post Company Ltd.	0	0	0	0	0	0
Ghana Publishing Corporation	0	0	0	0	0	0
News Times Corporation	0	0	0	0	0	0
Graphic Communication Group Ltd.	500,000	200,000	385,000	425,000	0	0

**Source:** Ministry of Finance (2017) State Ownership Report

### **SECTION A: BACKGROUND INFORMATION**

Q1. How did you come to be employed at GCGL/NTC?

Q2. Please briefly tell me about the nature your job here.

Q3. What is the highest level of education that you have completed?

Q4. Which year did you join this organization? Or how long have you been working here?

Q6. Which Department of the organization do you work with? (optional)

### **SECTION B: PERFORMANCE MANAGEMENT SYSTEM**

Q7. What do you think are the main factors that have made GCGL more profitable than NTC?

Q8. Do you set job performance target for every employee in GCGL/NTC?

Q9. What is the process of setting performance targets for each employee?

Q10. How does the performance management system here affect productivity of employees?

Q11. Do you receive feedback on your performance over the years that the target was set?

Q12. What happens to staff with negative job performance evaluation? Are they dismissed or transferred from their current position to another?

Q13. What should be done to make GCGL/NTC a more productive and profitable enterprise?

### **AUTONOMY, INCLUSIVE LEADERSHIP, AND PERFORMANCE ORIENTATION**

Q14. The print media, particularly the ‘Daily Graphic’/’Ghanaian Times’, is a very important tool for every elected government. How does the GCGL/NTC manage its relationship with government to prevent frequent political interference by government in its publications?

Q15. Does GCGL/NTC have operational autonomy from Government political interference?

Q16. Do you think that the GCGL/NTC has had more operational autonomy from Government political interference than the NTC/GCGL over the past 10 years or more?

Q17. Can you please cite instances of government political interference in the management of its operations that affected the productivity and profitability of GCGL/NTC?

Q18. Do you think that the management of GCGL/NTC practices inclusive leadership where the views of employees are considered in managerial decisions? Can you give some instances please?

Q19. Do you think that staff promotion at GCGL/NTC is based more on professional competence than one’s personal connections and political affiliation?

### **MARKET COMPETITIVENESS**

Q20. What should be done to make GCGL/NTC more competitive and profitable on the market?

## Appendix 2

### **Survey Questionnaire for respondents at GCGL/NTC**

This questionnaire is from Isabella Mawuena Koto, a student pursuing an MPhil Public Administration at the University of Ghana Business School (UGBS). The questionnaire is designed to gain information about the reasons that have led to the emergence of Graphic Communications Group Limited as a pocket of productive state-owned enterprise in Ghana. A Pocket of Productive state-owned enterprise refers to a state-owned enterprise that is able to make profit from the sale of goods and services over a period of time within an environment where other state-owned enterprises performing similar activities have been unable to make profit. Please assist by giving honest responses to the questions. All information provided will strictly be used for research purposes only. Your consent to participate in this study is voluntary.

### **BACKGROUND TO THE STUDY**

The public sector in developing countries is typically described by scholars as inefficient and ineffective. Recently, researchers have discovered that there exist pockets of productive public agencies within an environment where many public agencies are failing to function effectively. Table 1 below shows that among the state-owned enterprises created in the communications sector, the Graphic Communications Group Limited (GCGL) has been profitable and paying huge dividends to Government. My research seeks to understand the case of the GCGL by doing a comparative analysis with the New Times Corporation (NTC). The research seeks to find out the specific factors that have led to the emergence of the GCGL as a pocket of productive state-owned enterprise compared to the NTC.

**Table 1: 2017 State Ownership (Communications Sector)**

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News Times Corporation	0	0	0	0	0	0
Graphic Communication Group Ltd.	500,000	200,000	385,000	425,000	0	0

**Source:** Ministry of Finance (2017) State Ownership Report

Please Tick [] as appropriate

**SECTION A: BACKGROUND INFORMATION**

Q1: Gender: Male [  ] Female [  ]

Q2: Please what is your age group?

- 20 – 29 [  ]
- 30 – 39 [  ]
- 40 – 49 [  ]
- 50 – 59 [  ]
- 60 and above [  ]

Q3: What is the highest level of education that you have completed?

- Higher National Diploma [  ]
- Bachelor degree [  ]
- Master degree [  ]
- PhD degree [  ]



Q10. Please indicate below whether or not a job performance target was set for you to achieve, and whether or not you were able to achieve your target, for the years indicated below.

	I had a job performance target					I achieved my job performance target				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Yes										
No										

Q.11 Please indicate whether or not your job performance was assessed or evaluated, and whether or not you received feedback on your performance, for the years indicated below.

	My job performance was evaluated					I received feedback on my performance				
	2014	2015	2016	2017	2018	2014	2015	2016	2017	2018
Yes										
No										

Q12. Who within your organization evaluated your job performance for the years indicated below? (Please *indicate the position of your Assessor/Evaluator*)

	Who within your organization evaluated your job performance?
2014	
2015	
2016	
2017	
2018	

Q13. Please indicate the extent to which you agree or disagree with each of the statements below

	<b>I strongly disagree</b>	<b>I disagree</b>	<b>Neutral</b>	<b>I Agree</b>	<b>I strongly Agree</b>
GCGL/NTC has managerial autonomy from Government political interference					
GCGL/NTC has a performance-oriented employee management system					
GCGL/NTC largely employs its staff on the basis of merit and professional competence					
The Management of GCGL/NTC practices inclusive leadership where the views of					

employees are considered in managerial decision-making					
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Q14. Indicate the extent to which you agree or disagree with the statements below.

	<b>I strongly disagree</b>	<b>I disagree</b>	<b>Neutral</b>	<b>I Agree</b>	<b>I strongly Agree</b>
A positive job performance evaluation report could lead to my promotion to a higher level					
A negative job performance evaluation report could lead to my dismissal from GCGL/NTC					
There are clear performance indicators to evaluate my job performance					
Staff promotion is based on political party affiliation and not on job performance					
Staff promotion is based on the number of years of service and not on job performance					
Staff promotion is based on academic qualifications and not on job performance					
Staff promotion is based on personal connections and not on job performance					

Q15. Finally, what do you think have been the factors that have led to the emergence of Graphic Communications Group Limited (GCGL) as a more productive or profitable state-owned enterprise than New Times Corporation (NTC)? *(Please see Table 1 on page 1 for data)*

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 .....

Q16. What do you think should be done to make the Graphic Communication Group Limited/New Times Corporation a more productive and profitable state-owned enterprise?

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